

# EXHIBIT E

XEROX DOCUMENT CO. INC. 12/08/05  
WATER AND SEWER CUSTOMER INFORMATION AND BILLING SYSTEM  
WATER DEPARTMENT  
BILLING REGISTER

A/C	122892-02-9	A/C STATUS	O	S/A 68 CAYUGA AV.	SVC FROM 10/07/05 THRU 12/08/05 DAYS 63
DIST ID	J	OPEN DATE	04/04/05	198 ROUSSEAU ST.	CONS: ACT 28 BILLED 28 TYPE R
BILL FREQ	B	CLOSE DATE	00/00/00	NAM ALI BAALOUACH	ALLOC GPD 0 UNITS 0
REV CLASS	CP-RM	GRP CODE NO		DBA	PENALTY UNITS 0
SVC TYPE	S	GRP RPT CDS		M/A 68 CAYUGA AVE	WATER CONSUMPTION 47.88
RATE SCH	1	BILL-TYPE	REGULAR BILL		SERVICE CHARGE 9.20
EFF DATE	04/13/05	BILL REQ TYP	1		LIFELINE SEWER CHARGE 30.48
NO HYDS	0	FIRE SVC SZ	00	SAN FRANCISCO	RESIDENTIAL SEWER CHARGE 98.86
SIC CODE	8811	EXEMPT CODE	T	RMK:	
FLOW FAC	0.95	PMT HISTORY	111100		
FF EFF DT	04/04/05	BILL COPIES	1	COW HISTORY:	
DWL UNIT	2	DEP AMOUNT	0.00	01 30 R 05	
NBR EMPL	0	DEP PD DATE	00/00/00	02 43 R 06	0 09 0
				03 9 R 07	0 10 0
G&O PPU	000.530	G&O MGL	00085	04 0 08	0 11 0
SS PPU	001.741	SS MGL	00279		0 12 0
COD PPU	004.268	COD MGL	00684		

DATE	TYPE	WATER	UTILITY TAX	SEWER	DEPOSITS	TOTAL RECEIVABLE	DEPOSIT LIABILITY
10/12/05	PREV	60.50		143.16		* 203.66	
11/22/05	2140 CITY HALL PYMT	-60.50		-143.16		-203.66	
12/12/05	1105 REGULAR BILL	57.08		129.34		186.42	
12/12/05	BAL	57.08	0.00	129.34	0.00	186.42	0.00

SVC ADDR	68 CAYUGA AV.	BE/ READ	METER	DIAL		BILL	ADJ
	198 ROUSSEAU ST.	NO	NUMBER	READ	CONS	TY NR DAYS EXC W/O W/O FC FC	DATE
MTR CNN	01		CUR 12/08/05 0044587491	984.00	28 R	63	
CUR MTR NO	0044587491	MAKE T	SIZE 58				
MODEL T10		TYPE A	DIALS 1 HANDS 4	956.00	30 R	55	
MTR-RDG-BG:	HIGH	998	LOW 966	926.00	43 R	66	

MTR READER REMARKS:

SAN FRANCISCO PUBLIC UTILITIES COMMISSION  
WATER AND SEWER CUSTOMER INFORMATION AND BILLING SYSTEM  
WATER DEPARTMENT  
BILLING REGISTER

A/C	122892-02-9	A/C STATUS	O	S/A 68 CAYUGA AV.		SVC FROM 06/08/05 THRU 08/12/05 DAYS 66
DIST ID	J	OPEN DATE	04/04/05	198 ROUSSEAU ST.		CONS: ACT 43 BILLED 43 TYPE R
BILL FREQ	S	CLOSE DATE	00/00/00	NAM ALI BAALOUACH		ALLOC GPD 0 UNITS 0
REV CLASS	CP-RM	GRP CODE NO		DBA		PENALTY UNITS 0
SVC TYPE	S	GRP RPT CDS		M/A 68 CAYUGA AVE		WATER CONSUMPTION 73.53
RATE SCH	1	BILL-TYPE	REGULAR BILL			SERVICE CHARGE 9.20
EFF DATE	04/13/05	BILL REQ TYP	1			LIFELINE SEWER CHARGE 30.48
NO HYDS	0	FIRE SVC SZ	00	SAN FRANCISCO	CA 94112-1447	RESIDENTIAL SEWER CHARGE 202.46
SIC CODE	8811	EXEMPT CODE	T	RMK		
FLOW FAC	0.95	PMT HISTORY	1100000			
FF EFF DT	04/04/05	BILL COPIES	1	CON HISTORY:		
DWL UNIT	2	DEP AMOUNT	0.00	01 9 E 05	0 09 0	
NBR EMPL	0	DEP PD DATE	00/00/00	02 0 06	0 10 0	
		PREV A/C #		03 0 07	0 11 0	
G&O PPU	000.530	G&O MGL	00085	04 0 08	0 12 0	
SS PPU	001.741	SS MGL	00279			
COD PPU	004.268	COD MGL	00684			

DATE	TYPE		WATER	UTILITY	TAX	SEWER	DEPOSITS	TOTAL RECEIVABLE	DEPOSIT LIABILITY
06/13/05	PREV		33.41			20.43		53.84	
06/23/05	2140	CITY HALL PYMP	-33.41			-20.43		-53.84	
08/15/05	1105	REGULAR BILL	82.73			232.94		315.67	
08/15/05	BAL		82.73		0.00	232.94	0.00	315.67	0.00

SVC ADDR	68 CAYUGA AV.	BP/ READ	METER	DIAL		BILL	ADJ
	198 ROUSSEAU ST.	WO DATE	NUMBER	READ	CONS	TY NR	DATE
MTR CNN	01				926.00	43 R	
CUR MTR NO	0044587491	MAKE T	SIZE 58			66	
MODEL T10		TYPE A	DIALS 1 HANDS 4	01 06/07/05 0044587491	883.00	9 R	
MTR-RDG-RG:	HIGH	883	LOW 883			65 E19	

MTR READER REMARKS:  
0926.20

SAN FRANCISCO PUBLIC UTILITIES COMMISSION  
WATER AND SEWER CUSTOMER INFORMATION AND BILLING SYSTEM  
WATER DEPARTMENT  
BILLING REGISTER

A/C 122892-02-9	A/C STATUS O	S/A 68 CAYUGA AV.	SVC FROM 08/13/05 THRU 10/06/05 DAYS 55
DIST ID J	OPEN DATE 04/04/05	198 ROUSSEAU ST.	CONS: ACT 30 BILLED 30 TYPE R
BILL FREQ B	CLOSE DATE 00/00/00	NAM ALI BAALOUACH	ALLOC GPD 0 UNITS 0
REV CLASS CP-RM	GRP CODE NO DBA	M/A 68 CAYUGA AVE	PENALTY UNITS 0
SVC TYPE S	GRP RPT CDS		WATER CONSUMPTION 51.30
RATE SCH L	BILL-TYPE REGULAR BILL		SERVICE CHARGE 9.20
EFF DATE 04/13/05	BILL REQ TYP 1		LIFELINE SEWER CHARGE 30.48
NO HYDS 0	FIRE SVC SZ 00	SAN FRANCISCO	RESIDENTIAL SEWER CHARGE 112.68
SIC CODE 8811	EXEMPT CODE T	RMK	
FLOW FAC 0.95	PMT HISTORY 111000		
FF EFF DT 04/04/05	BILL COPIES 1	CON HISTORY:	
DWL UNIT 2	DEP AMOUNT 0.00	01 43 R 05 0 09 0	
MNR EMPL 0	DEP PD DATE 00/00/00	02 9 R 06 0 10 0	
G&O PPU 000.530	PREV A/C #	03 0 07 0 11 0	
SS PPU 001.741	G&O MGL 00085	04 0 08 0 12 0	
COD PPU 004.268	SS MGL 00279		
	COD MGL 00684		

DATE	TYPE	WATER	UTILITY TAX	SEWER	DEPOSITS	TOTAL RECEIVABLE	DEPOSIT LIABILITY
08/15/05	PREV	82.73		232.94		315.67	
09/02/05	2140 CITY HALL PYMT	-82.73		-232.94		-315.67	
10/12/05	1105 REGULAR BILL	60.50		143.16		203.66	
10/12/05	BAL	60.50	0.00	143.16	0.00	203.66	0.00

SVC ADDR 68 CAYUGA AV. 198 ROUSSEAU ST.	BP/ READ NO DATE CUR 10/06/05	METER NUMBER 0044587491	DIAL READ 956.00	CONS 30 R	TY NR 55	BILL EXC W/O W/C FC FC	ADJ DATE
CUR MTR NO 0044587491 MAKE T SIZE 58 MODEL T10 TYPE A DIALS 1 HANDS 4 MTR-RDG-RG: HIGH 926 LOW 926	01 08/12/05 0044587491	926.00	43 R	66			
	02 06/07/05 0044587491	883.00	9 R	65 E19			

MTR READER REMARKS:

SAN FRANCISCO UTILITIES COMMISSION  
WATER AND SEWER CUSTOMER INFORMATION AND BILLING SYSTEM  
WATER DEPARTMENT  
BILLING REGISTER

A/C 122892-02-9	A/C STATUS O	S/A 68 CAYUGA AV.	SVC FROM 12/09/05 THRU 02/10/06 DAYS 64
DIST ID J	OPEN DATE 04/04/05	198 ROUSSEAU ST.	CONS: ACT 34 BILLED 34 TYPE R
BILL FREQ B	CLOSE DATE 00/00/00	NAM ALI BAALOUACH	ALLOC GP3 0 UNITS 0
REV CLASS CP-RM	GRP CODE NO DBA	M/A 68 CAYUGA AVE	PENALTY UNITS 0
SVC TYPE S	GRP RPT CDS	REGULAR BILL	WATER CONSUMPTION 58.14
RATE SCH 1			SERVICE CHARGE 9.20
EFF DATE 04/13/05	BILL-TYPE REGULAR BILL		LIFELINE SEWER CHARGE 30.48
NO HYDS 0	BILL REQ TYP 1		RESIDENTIAL SEWER CHARGE 140.30
SIC CODE 8811	FIRE SVC SZ 00	SAN FRANCISCO	CA 94112-1447
FLOW FAC 0.95	EXEMPT CODE T	RMK	
FF EFF DT 04/04/05	BILL COPIES 1	CON HISTORY:	
DWL UNIT 2	DEP AMOUNT 0.00	01 28 R 05	0 09 0
NBR EMPL 0	DEP PD DATE 00/00/00	02 30 R 06	0 10 0
G&O PPU 000.530	PREV A/C #	03 43 R 07	0 11 0
SS PPU 001.741	G&O MGL 00085	04 9 R 08	0 12 0
COD PPU 004.268	SS MGL 00279		
	COD MGL 00684		

DATE	TYPE	WATER	UTILITY TAX	SEWER	DEPOSITS	TOTAL RECEIVABLE	DEPOSIT LIABILITY
12/12/05	PREV	57.08		129.34		186.42	
01/09/06	2140 CITY HALL PYMT	-57.27		-129.72		-186.99	
02/13/06	1105 REGULAR BILL	67.34		170.78		238.12	
02/13/06	BAL	67.15	0.00	170.40	0.00	237.55	0.00

SVC ADDR 68 CAYUGA AV. 198 ROUSSEAU ST.	BP/ READ	METER	DIAL		BILL	ADJ
MTR CNN 01	WO DATE	NUMBER	READ	CONS	TY NR DAYS EXC W/O W/O FC FC	DATE
CUR MTR NO 0044587491 MAKE T SIZE 58 MODEL T10 TYPE A DIALS 1 HANDS 4	CUR 02/10/06	0044587491	1018.00	34 R	64	
MTR-RDG-RG: HIGH 1052 LOW 1001	01 12/06/05	0044587491	984.00	28 R	63	
	02 10/06/05	0044587491	956.00	30 R	55	

MTR READER REMARKS:

# EXHIBIT F

Dollar Value of Other Exhibits Work-Sheet:

Exhibit B: \$83,000.00

Exhibit C: \$79,618.47

Exhibit D: \$30,694.24

Exhibit E: \$760.16

Exhibit F: (This Exhibit) N/A

Exhibit G: \$6,556.95

Total:      **\$200,629.82**

# EXHIBIT G

May 14 through June 14, 2005

**Account Number:** 201-6073884

Page 2 of 4

**Activity detail****Deposits**

Date	Description	Amount
06/03	Deposit Made In A Branch/Store	\$2,289.28
Total deposits		\$2,289.28

**Withdrawals****Other withdrawals**

Date	Description	\$ Amount
05/18	POS Purchase - 05/17 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	709.97
05/18	T.M.C.C Loan Pmt 050516 01961308920001 Baalouach Ali	418.93
05/20	POS Purchase - 05/19 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	398.21
05/20	POS Purchase - 05/19 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	104.47
05/23	POS Purchase - 05/20 Mach ID 000000 CNS Lowe'S CNS Lowe'Ssan Bruno Ca 3806 ?MCC=5211 121042882DA	212.94
05/23	POS Purchase - 05/21 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	205.24
05/23	POS Purchase - 05/21 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	102.62
05/23	POS Purchase - 05/22 Mach ID 000000 Patterson Ace Hpatterson Patterson Ca 3806 ?MCC=5251 121042882DA	60.62
05/23	POS Purchase - 05/21 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	7.88
05/24	POS Purchase - 05/23 Mach ID 000000 CNS Lowe'S CNS Lowe'Ssan Bruno Ca 3806 ?MCC=5211 121042882DA	140.13
05/26	POS Purchase - 05/25 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	20.52
05/27	POS Purchase - 05/26 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	143.67
05/27	Check Crd Purchase 05/25 Yardbirds #180 Petaluma Ca 446024XXXXXX3806 147540004149688 ?MCC=5251 121042882DA	34.13
05/31	POS Purchase - 05/30 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	199.96
05/31	POS Purchase - 05/29 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	76.97
05/31	POS Purchase - 05/29 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	66.70
06/01	Cal-Am Wtr Co Payment 050531 0406337 Ali Baalouach	51.55

Additional Information Regarding  
 Account Number 4465 4201 1728 2913  
 Statement Closing Date: 07/20/05

WELLS FARGO

Wells Fargo Rewards Program Summary  
 Rewards Previous Balance: 9,838  
 Points Earned This Month: 474  
 Total Available Points: 10,312

Your point balance and program information is available 24 hours a day, 7 days a week at [www.WellsFargoRewards.com](http://www.WellsFargoRewards.com).

## Rate Information

YOUR RATE MAY VARY ACCORDING TO THE TERMS OF YOUR AGREEMENT.

Type of Balance	Corresponding		Daily	Average
	ANNUAL	PERCENTAGE	FINANCE CHARGE	Daily Balance
	RATE		Rate	\$3,719.11
PURCHASE(S)	23.90%	.06547%	\$0.00	
CASH ADVANCE(S)	23.90%	.06547%		

Composite ANNUAL PERCENTAGE RATE 23.90%

Days in Billing Cycle 30

## Transactions

Trans	Post	Reference Number	Description	Credits	Charges
07/07	07/07	74465425X0A7VWHJ	BRANCH PAYMENT CASH REF# DZET9BM9LL	200.00	
07/08	07/08	24138295Y9H35TY4B	LOWE'S #1019 SAN BRUNO CA		193.95
07/08	07/08	24492155YP4E5MXPM	DISCOUNT BUILDING SUPPLY SAN FRANCISCO C		237.20
07/15	07/15	2449280643DWMMNA51	METRO PCS #5000 DALLAS TX		42.16
07/18	07/18	7446542680A92YFDK	BRANCH PAYMENT CASH REF# DZET9C3RPZ	250.00	
		PERIODIC *FINANCE CHARGE*	PURCHASES \$73.04 CASH ADVANCE \$0.00		73.04

## Wells Fargo News

CONGRATULATIONS! YOU'VE EARNED 10,000 REWARDS POINTS.  
 YOU'VE EARNED A \$100 AIRLINE DISCOUNT, OR A \$100  
 CERTIFICATE AT SELECT MARRIOTT OR HYATT HOTELS.  
 YOU CAN ALSO REDEEM FOR A \$100 DISCOUNT OFF HERTZ  
 OR AVIS CAR RENTAL, A \$100 CASH REBATE OR MORE! TO SEE  
 ALL YOUR CHOICES OR TO REDEEM YOUR POINTS, LOGON TO  
[WWW.WELLSFARGOREWARDS.COM](http://WWW.WELLSFARGOREWARDS.COM) OR CALL 1-877-517-1358.

June 15 through July 15, 2005

**Account Number:** 201-6073884  
Page 2 of 5**Activity detail****Deposits**

Date	Description	Amount
06/17	Bill Payment Return On 06-17	\$2,439.49
06/17	Deposit	1,250.00
06/28	Deposit	1,144.64
06/30	Bill Payment Return On 06-30	1,086.06
07/05	Deposit	2,000.00
07/06	Overdraft Protection From 2016075004	536.17
07/07	Deposit	2,100.00
07/08	Overdraft Protection From 2016075004	45.81
07/11	Overdraft Protection From 2016075004	654.76
07/14	Deposit	1,144.64
07/14	Bill Payment Return On 07-14	543.03
Total deposits		\$12,944.60

**Withdrawals****Other withdrawals**

Date	Description	\$ Amount
06/16	T.M.C.C Loan Pmt 050616 01961308920001 Baalouach Ali	418.93
06/20	POS Purchase - 06/18 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	457.32
06/20	Check Crd Purchase 06/18 E E Electrical Supply San Francisco Ca 446024XXXXXX3806 171540010534953 ?MCC=5065 121042882DA	224.06
06/20	POS Purchase - 06/18 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	107.17
06/20	POS Purchase - 06/19 Mach ID 000000 1695 Miss Discount Bsan Franciscoca 3806 ?MCC=5211 121042882DA	35.85
06/22	Bill Pay Greenpoint Mortg On-Line 0086451499 On 06-22	1,086.06
06/22	POS Purchase - 06/21 Mach ID 000000 1695 Miss Discount Bsan Franciscoca 3806 ?MCC=5211 121042882DA	294.30
06/23	POS Purchase - 06/22 Mach ID 000000 CNS Lowe'S CNS Lowe'Ssan Bruno Ca 3806 ?MCC=5211 121042882DA	939.46
06/27	POS Purchase - 06/24 Mach ID 000000 Eddy Market Eddy Markesan Franciscoca 3806 ?MCC=5331 121042882DA	3.00
06/29	POS Purchase - 06/29 Mach ID 000000 Sou The Home Desou The Hovacaville Ca 3806 ?MCC=5300 121042882DA	432.69
06/29	POS Purchase - 06/28 Mach ID 000000 1695 Mission Stdiscount Bsan Franciscoca 3806 ?MCC=5211 121042882DA	54.04
06/29	POS Purchase - 06/28 Mach ID 000000 USA Petroleum #USA Petrololdixon Ca 3806 ?MCC=5541 121042882DA	10.00
06/29	POS Purchase - 06/29 Mach ID 000000 Sou The Home Desou The Hovacaville Ca 3806 ?MCC=5300 121042882DA	1.06

June 15 through July 15, 2005

**Account Number:** 201-6073884

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## Other withdrawals-continued

Date	Description	\$ Amount
06/30	Check Crd Purchase 06/29 Kohl'S #0757 Vacaville Ca 446024XXXXXX3806 181540008060361 ?MCC=5311 121042882DA	376.18
07/01	POS Purchase - 06/30 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	518.43
07/01	Check Crd Purchase 06/29 Chutney San Francisco Ca 446024XXXXXX3806 182540005480624 ?MCC=5812 121042882DA	7.00
07/05	POS Purchase - 07/05 Mach ID 000000 SFI0439 170. S.SFI0439 17San Franciscoca 3806 ?MCC=5411 121042882DA	161.78
07/05	POS Purchase - 07/05 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	150.41
07/05	POS Purchase - 07/04 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	138.59
07/05	POS Purchase - 07/05 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	58.39
07/05	POS Purchase - 07/05 Mach ID 000000 1695 Mission Stdiscount Bsan Franciscoca 3806 ?MCC=5211 121042882DA	49.90
07/05	POS Purchase - 07/05 Mach ID 000000 El Mansoura Intel Mansoursan Franciscoca 3806 ?MCC=5411 121042882DA	48.00
07/05	POS Purchase - 07/04 Mach ID 000000 University Arcouniversityberkeley Ca 3806 ?MCC=5541 121042882DA	9.50
07/05	POS Purchase - 07/05 Mach ID 000000 Cheese Boutiquecheese Bousan Franciscoca 3806 ?MCC=5451 121042882DA	4.50
07/06	Bill Pay Emc Mortgage Cor RECURRING0010765832 On 07-06	2,439.49
07/06	Bill Pay Option One Mortg RECURRING0015841786 On 07-06	1,943.81
07/06	Bill Pay Greenpoint Mortg RECURRING0086451499 On 07-06	543.03
07/06	Check Crd Purchase 07/05 Discount Building Supp San Francisco Ca 446024XXXXXX3806 187540006231276 ?MCC=5211 121042882DA	94.00
07/06	POS Purchase - 07/06 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	34.93
07/06	Savings Overdraft Transfer Fee	10.00
07/07	POS Purchase - 07/07 Mach ID 000000 1695 Mission Stdiscount Bsan Franciscoca 3806 ?MCC=5211 121042882DA	222.95
07/07	Check Crd Purchase 07/06 Discount Building Supp San Francisco Ca 446024XXXXXX3806 188540007832667 ?MCC=5211 121042882DA	18.91
07/08	POS Purchase - 07/08 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	705.64
07/08	POS Purchase - 07/08 Mach ID 000000 CNS Lowe'S CNS Lowe'Ssan Bruno Ca 3806 ?MCC=5211 121042882DA	606.45

June 15 through July 15, 2005

**Account Number:** 201-6073884  
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## Other withdrawals-continued

Date	Description	\$ Amount
07/08	POS Purchase - 07/07 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	502.35
07/08	Savings Overdraft Transfer Fee	10.00
07/11	POS Purchase - 07/11 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	366.79
07/11	POS Purchase - 07/09 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	159.97
07/11	POS Purchase - 07/08 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	98.42
07/11	POS Purchase - 07/09 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	39.48
07/11	Check Crd Purchase 07/09 The Home Depot 639 Colma Ca 446024XXXXXX3806 192540008300250 ?MCC=5200 121042882DA	29.18
07/11	POS Purchase - 07/09 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	27.74
07/11	POS Purchase - 07/09 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	21.60
07/11	Savings Overdraft Transfer Fee	10.00
07/15	POS Purchase - 07/15 Mach ID 000000 1695 Mission Stdiscount Bsan Franciscoca 3806 ?MCC=5211 121042882DA	32.12
07/15	Monthly Service Fee	8.00
	Total other withdrawals	\$13,511.48

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## Daily balance summary

Date	\$ Balance	Date	\$ Balance
06/14	2,214.43	06/30	3,694.50
06/16	1,795.50	07/01	3,169.07
06/17	5,484.99	07/05	4,548.00
06/20	4,660.59	07/06	18.91
06/22	3,280.23	07/07	1,877.05
06/23	2,340.77	07/08	98.42
06/27	2,337.77	07/11	0.00
06/28	3,482.41	07/14	1,687.67
06/29	2,984.62	07/15	1,647.55

July 16 through August 12, 2005

**Account Number:** 201-6073884

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**Activity detail****Deposits**

Date	Description	Amount
07/18	Transfer From Sav # 000002016075004	\$2,000.00
07/19	Deposit	200.00
07/27	Deposit	2,289.59
08/02	Deposit	1,800.00
08/03	Transfer From Sav # 000002016075004	3,000.00
08/08	Deposit	1,700.00
08/11	Deposit	1,099.00
		\$12,088.59
Total deposits		

**Withdrawals****Checks**

Number	Date	\$ Amount	Number	Date	\$ Amount
1051	08/05	3,907.62			
Total checks					\$3,907.62

**Other withdrawals**

Date	Description	\$ Amount
07/18	T.M.C.C Loan Pmt 050716 01961308920001	
	Baalouach Ali	418.93
07/18	POS Purchase - 07/15 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5300 121042882DA	149.98
07/18	POS Purchase - 07/16 Mach ID 000000 Silver Gas Colmsilver Gascolma Ca 3806 ?MCC=5541 121042882DA	21.50
07/20	Emc Mtg Corp Speedpay 050720 0010765832	2,449.44
07/20	Ali Baalouach	
	Check Crd Purchase 07/19 Fregosi & Co Paints San Francisco Ca 446024XXXXXX3806 201540007556709 ?MCC=5231 121042882DA	38.18
07/21	Check Crd Purchase 07/19 Blockbuster Video #687 San Francisco Ca 446024XXXXXX3806 202540006434933 ?MCC=7841 121042882DA	16.26
07/28	Mortgage Jit Pmt 8007845566 050728 XXXXX8334 Baalouach, Ali	1,727.23
08/08	Bill Pay Emc Mortgage Cor RECURRING0010765832 On 08-08	2,439.49

September 16 through October 17, 2005

**Account Number:** 201-6073884

Page 2 of 4

## Overdraft Protection-Minimum transfer change

Effective January 3, 2006, Wells Fargo's Overdraft Protection is changing. When you have a savings account linked for Overdraft Protection, available funds are automatically transferred to your checking account when there is an overdraft. The amount transferred will be a minimum of \$25 or the exact amount of the overdraft if over \$25. If the available balance is less than \$25 or is not sufficient to cover the overdraft, the available balance will be transferred. Overdraft protection will only prevent Overdraft and Return Item fees when there are sufficient available funds in your linked savings account to cover the overdraft.

To learn more about Overdraft Protection plans or to enroll, please contact your banker or visit [www.wellsfargo.com](http://www.wellsfargo.com).

**Activity detail****Deposits**

Date	Description	Amount
09/20	Deposit	\$789.59
10/11	Deposit	1,900.00
	Total deposits	\$2,689.59

**Withdrawals****Checks**

Number	Date	\$ Amount	Number	Date	\$ Amount
9999	10/13	1,963.81			
					\$1,963.81

**Other withdrawals**

Date	Description	\$ Amount
09/16	T.M.C.C Loan Pmt 050916 01961308920001 Baalouach Ali	418.93
09/16	Check Crd Purchase 09/14 Shell Oil 27441747600 San Francisco Ca 446024XXXXXX3806 259540006525103 ?MCC=5541 121042882DA	25.00
09/16	Check Crd Purchase 09/14 Starbucks USA 00055178 San Francisco Ca 446024XXXXXX3806 259540002737148 ?MCC=5814 121042882DA	6.95
09/19	POS Purchase - 09/16 Mach ID 000000 Chevron Stationchevron San Franciscoca 3806 ?MCC=5541 121042882DA	25.00
09/19	POS Purchase - 09/18 Mach ID 000000 Berkeley Econo Berkeley Eberkeley Ca 3806 ?MCC=5541 121042882DA	25.00
09/21	POS Purchase - 09/21 Mach ID 000000 Arco Paypoint Arco Paypofairfield Ca 3806 ?MCC=5541 121042882DA	30.45
09/27	Cal-Am Wtr Co Payment 050926 0406337 Ali Baalouach	51.55
09/28	Check Crd Purchase 09/26 Blockbuster Video #687 San Francisco Ca 446024XXXXXX3806 271540006210973 ?MCC=7841 121042882DA	30.35
09/30	POS Purchase - 09/29 Mach ID 000000 Sou The Home Desou The Hocolma Ca 3806 ?MCC=5200 121042882DA	124.17

# EXHIBIT H





**CONTRACT FOR THE SALE AND PURCHASE OF REAL PROPERTY**  
**THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. READ IT CAREFULLY.**

**SAN FRANCISCO ASSOCIATION OF REALTORS® STANDARD FORM**

This form is intended for use primarily in San Francisco and the northern peninsula.

California August 9, 2007 (Date).

Ivan CASTRO

68 Cayuga

(Buyer) offers to purchase the real property commonly known as 68 Cayuga, or  (if checked) this is a purchase of a % undivided interest in the entire TIC property above pursuant to the attached TIC Addendum (SFAR Form XTPA), in the City and County of San Francisco San Francisco, California 94112 (the "Property") for the Purchase Price of Eight Hundred Sixty Thousand Dollars (\$ 860,000.00 ) upon the following TERMS and CONDITIONS.

**1. FINANCIAL TERMS AND CONDITIONS.**

A. \$ 1,000.00 **INITIAL DEPOSIT** evidenced by  personal check or  payable to Fidelity National Title (Payee), which shall not be cashed or otherwise negotiated until mutual execution of this Contract ("Acceptance"), whereupon it shall promptly be delivered to Payee.

B. \$ 92,000.00 **ADDITIONAL DEPOSIT** to be placed in escrow  within      days after Acceptance or  on or before Written Acceptance of Short Sale by Country-Wide Bank.

C. \$ 767,000.00 **NEW FIRST LOAN.** This Contract is conditioned upon Buyer obtaining a new first loan for a term of thirty (30) or      years at an initial annual rate of interest not to exceed 7.000 % for a loan which is  adjustable according to the lender's predetermined schedule or  fixed for an initial period of      year(s) or  fixed for the entire term, secured by a first deed of trust on the Property, with a loan fee of not more than      loan points and on other terms and conditions satisfactory to Buyer.

D. \$      **NEW SECOND LOAN.** This Contract is conditioned upon Buyer obtaining a new second loan for a term of fifteen (15) or      years at an initial annual rate of interest not to exceed      % for a loan which is  adjustable according to the lender's predetermined schedule or  fixed for an initial period of      year(s) or  fixed for the entire term, secured by a second deed of trust on the Property, with a loan fee of not more than      loan points and on other terms and conditions satisfactory to Buyer.

E. \$      **NON-CONTINGENT FINANCING.** Buyer intends to obtain new financing in the amount specified. Seller agrees to provide prompt access to the Property for appraisal purposes. Buyer acknowledges that the full amount may not be obtainable and that the terms and availability of loans are subject to constant change. Buyer further acknowledges that obtaining financing is not a condition of Buyer's performance.

F. \$      **OTHER FINANCING** (see SFAR TIC Addendum or Assumption of Existing Loan / Seller Financing).  
G. \$      **CASH BALANCE** which shall be paid by Buyer into escrow prior to Close of Escrow.

H. \$ 860,000.00 **PURCHASE PRICE, EXCLUDING CLOSING COSTS AND ADJUSTMENTS, IF ANY.**

(Total of A through G.)

2. **SOURCE OF FUNDS.** Buyer represents that the funds required for the Initial Deposit, Additional Deposit, Cash Balance, and closing costs are available at Buyer's disposal, and that obtaining these funds is not a condition of this Contract unless paragraph 12F (Sale of Buyer's Property) is initiated, or an additional condition relating to these funds has been agreed to in writing.

3. **FINANCING PROVISIONS.** Buyer shall act diligently and in good faith to obtain all necessary financing and insurance for the purchase of the Property. For loans referred to above requiring an application, within three (3) days after Acceptance, Buyer shall submit to lender(s) a completed application with all supporting documentation and authorizations as required by the lender(s). If Buyer does not remove in writing the loan condition(s) established by paragraph 1 within thirty (30) or      days after Acceptance, either party may thereafter terminate this Contract.

4. **APPRAISAL.**  (if checked) Buyer may terminate this Contract if Buyer delivers a current written appraisal report from a California licensed appraiser to Seller within twenty (20) or      days after Acceptance valuing the Property at less than the Purchase Price.

5. **ESCROW.** Escrow shall close on October 15, 2007 (date) or  (if checked)      days after Acceptance ("Close of Escrow"). This Contract, including any addenda and counteroffers, shall constitute escrow instructions of Buyer and Seller. The parties shall execute additional instructions consistent with this Contract and deliver them to      ("Escrow Agent"). Release of funds from escrow will require mutually consistent signed instructions from both Buyer and Seller, or the rendering of a judicial decision or arbitration award authorizing the release.

6. **OCCUPANCY.** Buyer intends or  (if checked) does not intend to occupy the Property as Buyer's principal residence.

7. **PHYSICAL POSSESSION.** Physical possession of the Property shall be delivered to Buyer upon recordation of the deed or  (if checked) after recordation of the deed but not later than midnight on      (date). The agreement setting forth the terms upon which Seller shall occupy the Property after Close of Escrow is attached hereto and made a part of this Contract.  (If checked) Physical possession of the Property shall be delivered subject to tenants' rights.

**Buyer's Initials** I. **Seller's Initials** M.

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**8. PRELIMINARY TITLE REPORT.** Within three (3) or \_\_\_\_\_ days after Acceptance, Buyer, at Buyer's expense, shall order a Preliminary Title Report from Escrow Agent. Seller's proceeds from the sale of the Property shall be applied to pay off all monetary liens at Close of Escrow, except that Seller shall have no obligation to pay off bonds and/or assessments unless agreed to in writing by Buyer and Seller. Buyer's objections to any matter of record ("Exceptions") shall be delivered in writing to Seller within seven (7) or \_\_\_\_\_ days after Buyer's receipt of the Preliminary Title Report. Buyer shall not be required to object to monetary liens, other than bonds and/or assessments which Buyer does not intend to assume. Seller shall, within three (3) or \_\_\_\_\_ days after receipt of Buyer's objections, deliver to Buyer written notice that either (a) the Exceptions objected to by Buyer will be eliminated by Close of Escrow, or (b) Seller is unwilling or unable to eliminate the Exceptions. If Seller notifies Buyer that the Exceptions will not be eliminated by Close of Escrow, Buyer shall have three (3) or \_\_\_\_\_ days from receipt of Seller's notification to notify Seller in writing that Buyer will purchase the Property with the Exceptions to the policy of title insurance remaining in effect. If Buyer does not so notify Seller within the specified time period, either party may thereafter terminate this Contract.

**9. FIXTURES.** All fixtures and fittings attached to the Property and major appliances for which custom openings or encasements have been made are included, free of liens, in the Purchase Price, including without limitation, electrical, lighting, plumbing and heating fixtures, hardware, solar systems, screens, awnings, shutters, window coverings, drapes, curtains, and related hardware, attached floor coverings, television antennas/satellite dishes and related equipment, water-softening systems, air coolers or conditioners, pool and spa equipment, mailbox, garage door openers and transmitters, security systems, private telephone systems, trees, shrubs and outdoor plants planted in the ground, and items permanently attached to the Property but excluding externally-mounted audio-visual equipment (e.g. flat panel screens) and brackets, freestanding furniture attached only for earthquake safety, and: \_\_\_\_\_

**10. PERSONAL PROPERTY.**

(For Residential Property) Note to Buyer: Personal property items listed in marketing materials are not included in the sale unless specified here. The following personal property on the Property at the date of Acceptance is included in the sale, free of liens and without warranty of condition: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(For Rental Property) All personal property on the Property at the date of Acceptance owned by Seller and used in operation of the Property is included. Seller shall provide, within seven (7) or \_\_\_\_\_ days after Acceptance, an inventory of the personal property.

**11. PRORATIONS AND EXPENSES.** The following shall be paid current and then prorated between Buyer and Seller as of Close of Escrow: real property taxes (based upon the latest information available regarding the assessed value of the Property and the applicable tax rate); bonds and assessments; Homeowners' Association dues and assessments; interest on any loan(s) secured by the Property assumed by Buyer; premiums for any insurance on the Property assumed by Buyer; rents; and operating expenses. Security deposits and accrued interest thereon, where the law requires interest to be paid on security deposits, shall be credited to Buyer's account at Close of Escrow. Buyer shall pay the escrow fee and title insurance premiums. Seller shall pay any real property transfer taxes. Buyer shall pay any Homeowners' Association transfer fees and move-in fees. Seller shall pay any Homeowners' Association move-out fees. Seller shall pay any prepayment penalty or other fees or charges imposed by lenders for loans being paid off through escrow. Unless specified in this Contract, all other prorations and expenses shall be paid by either Buyer or Seller in accordance with local custom. Buyer and Seller understand that the Property will be reassessed upon change of ownership. A supplemental tax bill will be sent to Buyer which will reflect a change in property taxes based on the Purchase Price becoming the new assessed value. Any tax bills issued after Close of Escrow for periods of time before Close of Escrow shall be paid by Seller.

**12. ADDITIONAL TERMS AND CONDITIONS.** A through H below are conditions of Buyer's performance only if initiated. Choose one and only one of A or B and one and only one of C or D. Broker(s) strongly recommend that Buyer obtain the inspection reports provided by paragraphs A and C below.

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

**A. STRUCTURAL PEST CONTROL INSPECTION—SUBJECT TO BUYER'S APPROVAL.** Buyer, at Buyer's expense, shall obtain a written structural pest control inspection report with respect to the Property and all improvements thereon. If Buyer does not remove this condition in writing within fifteen (15) or \_\_\_\_\_ days after Acceptance, either party may thereafter terminate this Contract. During this time, Buyer may request that Seller make repairs or credit Buyer for the costs of recommended repair work, but Seller shall not be obligated to agree to any such request.

Seller's Initials \_\_\_\_\_

**B. WAIVER OF STRUCTURAL PEST CONTROL INSPECTION.** Although Buyer has been advised that Buyer may order a new written structural pest control inspection report with respect to the Property and all improvements thereon, Buyer elects to purchase the Property without obtaining such a report. Buyer acknowledges that any reports Buyer may have received do not constitute representations by either Seller or Broker(s) as to the current condition of the Property and Buyer hereby releases Seller and Broker(s) from all claims, demands and liabilities with respect to the existence of conditions and defects which would be likely to be disclosed by an inspection report ordered by Buyer.

Buyer's Initials \_\_\_\_\_ Seller's Initials \_\_\_\_\_

\_\_\_\_\_  
*J.C.* / \_\_\_\_\_ *M.* / \_\_\_\_\_



**Buyer's Initials**

**C. PROPERTY INSPECTIONS.** Buyer's obligations under this Contract are conditioned upon Buyer's written approval, at Buyer's sole discretion, of both the physical condition of the Property and any other matter affecting the Property. Buyer shall have the right to conduct inspections of the Property by contractors, engineers, architects, and/or other experts retained by Buyer, which inspections may include but are not limited to structural, plumbing, sewer, heating, air conditioning, electrical and mechanical systems, built-in appliances, roof, foundation, retaining walls, geologic conditions, pool/spa and related equipment, environmental hazards (such as asbestos, mold, electromagnetic fields, radon gas, lead-based paint or lead hazards, fuel or chemical storage tanks, and other materials or products), noise transmission, water/utility use restrictions, and location of property lines. **Brokers do not certify or verify lot size, boundary lines or interior square footage, information contained in inspection reports, or representations of others.** Seller shall permit the inspections upon receiving reasonable advance notice from Buyer, with the exception of a Structural Pest Control Inspection if paragraph 12B has been initialed. Buyer agrees to provide Seller with a copy of all inspection reports at no cost to Seller. If Buyer does not remove this condition in writing within fifteen (15) or \_\_\_\_\_ days after Acceptance, either party may thereafter terminate this Contract. During this time, Buyer may request Seller to make repairs or to credit Buyer for the estimated costs of identified repair work, but Seller shall not be obligated to agree to any such request.

**Buyer's Initials**

**D. WAIVER OF PROPERTY INSPECTIONS.** Buyer hereby waives Buyer's right to perform inspections as provided in paragraph 12C above. Buyer is aware that all real property and improvements contain defects and conditions which are not readily apparent and which may affect the value and/or desirability of the Property. Buyer and Seller acknowledge that Broker(s) do not guarantee and in no way assume responsibility for the condition of the Property. Buyer also is aware of Buyer's own affirmative duty to exercise due diligence in observing the condition of and inspecting the Property to protect Buyer's interests. **Buyer acknowledges that any reports Buyer may have received do not constitute representations by either Seller or Broker(s) as to the current condition of the Property.** Buyer has been strongly advised to retain Buyer's own contractors and other experts to investigate the condition and suitability of all aspects of the Property and all matters affecting the value and desirability of the Property. If Buyer has elected not to perform inspections as specified in paragraph 12C above, then Buyer, by initialing this paragraph, releases Seller and Broker(s) from all claims, demands, and liabilities which in any manner pertain to matters which could have been disclosed by such inspections.

**Buyer's Initials**

**E. CONDOMINIUM DISCLOSURE.**  (If checked) the Cooperative Apartment Purchase Addendum (SFAR Form XCAP) is made a part of this Contract and the times frames specified in this paragraph shall apply to that Addendum. Within ten (10) or \_\_\_\_\_ days after Acceptance, Seller, at Seller's expense, shall furnish Buyer with copies of the Property's legal description (including parking and storage spaces, if any), covenants, conditions and restrictions, articles of incorporation, bylaws, rules and regulations currently in force, the most recent financial statements of the Homeowners' Association (HOA), a current operating budget, one year's minutes of HOA meetings and any other documents required by law. Seller shall also advise Buyer within this time of any delinquent or special but uncollected assessments, any anticipated extraordinary maintenance or repair expenses and any pending or anticipated litigation affecting the Property. If Buyer does not deliver to Seller, within five (5) or \_\_\_\_\_ days after receipt of the documents, written notice approving the documents, either party may thereafter terminate this Contract. Approval of the documents shall be at Buyer's reasonable discretion. Seller shall promptly notify Buyer of any new or revised HOA documents received by Seller prior to Close of Escrow. Note: Buyer is hereby advised that any structural pest control or other inspections of common areas may be subject to the approval of, and limited in scope by, the HOA and/or its Board of Directors.

**Buyer's Initials**

**F. SALE OF BUYER'S PROPERTY.** Buyer's obligations under this Contract are conditioned upon the sale and close of escrow of Buyer's real property, commonly known as \_\_\_\_\_, within the time specified in this Contract for Close of Escrow of the Property. Seller shall have the right to continue to offer the Property for sale and conditionally accept another offer subject to the provisions of this Contract. Following such conditional acceptance, Seller shall give Buyer written notice of Seller's acceptance of any such offer. If Buyer does not remove this condition in writing within seventy-two (72) hours after receipt of the notice, this Contract shall terminate. If Buyer elects to remove this condition, Buyer also agrees to remove any loan condition insofar as it depends on the sale of Buyer's property and within three (3) or \_\_\_\_\_ days from Buyer's removal of this condition, Buyer shall submit documentation to Seller demonstrating Buyer's financial ability to close escrow on the Property without closing escrow on Buyer's property. If Seller does not approve this documentation in writing within five (5) or \_\_\_\_\_ days of receipt, either party may then terminate this Contract. Seller's approval shall not be unreasonably withheld. Paragraph 30 (Seller Termination) does not apply to this paragraph.

**Buyer's Initials**

**G. INCOME AND EXPENSE STATEMENT.** Within seven (7) or \_\_\_\_\_ days after Acceptance, Seller shall deliver to Buyer a true and complete statement of the income and expenses of the Property for calendar years \_\_\_\_\_ and the current year to date. If Buyer does not deliver to Seller, within seven (7) or \_\_\_\_\_ days after receipt of the statement, written notice approving it, either party may thereafter terminate this Contract. Approval of the statement shall be at Buyer's sole discretion.

**Buyer's Initials****Seller's Initials**

JL / \_\_\_\_\_

M / \_\_\_\_\_



**Buyer's Initials**

*DC.* / **H. RENTAL PROPERTY.** Buyer agrees to purchase the Property subject to existing leases and the rights of parties in possession. Within seven (7) or \_\_\_\_\_ days after Acceptance, Seller shall deliver to Buyer copies of all leases, rental agreements and Section 6.14 notices, as well as copies of all outstanding notices sent to tenants and a written statement of (1) any and all oral agreements with tenants, (2) uncured defaults by Seller or tenants, (3) claims made by Seller against tenants or by tenants against Seller in any court of law or to the San Francisco Rent Board, or other governmental agencies, (4) all tenants' deposits held by Seller, including any claimed offsets against those deposits, (5) any pass-throughs which constitute part of the existing rent, including the nature of the pass-through, the amount, and the period of time for which the pass-through is in effect, (6) which units include parking or storage spaces as part of the rent, whether any garages, parking or storage spaces are rented to non-tenants, the amount received for each space, and the terms of any rental agreement or lease for the space, (7) notices of rent increases and the rental history of each unit from the date of each tenant's occupancy to the present, and (8) any Default or Termination Notices served on tenants and, if the notices have been filed with the San Francisco Rent Board, proof of such filing. If Buyer does not deliver to Seller, within seven (7) or \_\_\_\_\_ days after receipt of the documents, written notice approving the documents, either party may thereafter terminate this Contract. Approval of the documents shall be at Buyer's sole discretion. Prior to Close of Escrow, Seller agrees that no changes in the leases and/or tenancies shall be made and no new leases or rental agreements shall be entered into without Buyer's prior written consent, which consent shall not be unreasonably withheld. Seller shall deliver to Escrow Agent prior to Close of Escrow: (1) any and all tenants' deposits, including security deposits, last month's rent deposits, cleaning, key or other deposits, and any required interest accrued thereon through Close of Escrow, which deposits and interest shall be disbursed to Buyer at Close of Escrow; and (2) copies of any notice(s) of the transfer of deposits given by Seller to tenants.

- 13. RENTAL INFORMATION QUESTIONNAIRES ('ESTOPPELS').** Within three (3) or \_\_\_\_\_ days after Acceptance, Seller shall deliver to all tenants written Rental Information Questionnaires, requesting from each tenant acknowledgment of the terms and conditions of the tenant's rental. No later than fifteen (15) or \_\_\_\_\_ days after Acceptance, Seller shall deliver to Buyer all completed Rental Information Questionnaires returned by tenants to Seller. If any Rental Information Questionnaires are returned after that day, Seller agrees to provide them to Buyer within two (2) days of Seller's receipt.

(if checked) Protected Tenant Status Addendum (SFAR Form XPTS) is included in this Contract.

- 14. RESIDENTIAL RENT CONTROL ORDINANCE.** If the Property is located in San Francisco, Buyer is advised that there is in effect a Residential Rent Stabilization and Arbitration Ordinance, amended from time to time, which may severely affect Buyer's rights of ownership and right to move into the Property. **Buyer is advised to research documents filed with the San Francisco Rent Board pertaining to the Property and to obtain legal advice from a real estate attorney knowledgeable and experienced in San Francisco rent control law to determine the effect of this ordinance on the Property and Buyer's intended use.**

- 15. ILLEGAL UNITS OR ROOMS.** Buyer understands that units, rooms, or additions to the Property may not have been legally permitted. They may violate zoning ordinances, may have been built without building permits, and a certificate of final completion and occupancy may not have been issued. Buyer may be required to bring them into compliance or to remove kitchens or other facilities at Buyer's expense. A substantial fine may be imposed and Buyer may be prevented from renting any illegal units. **Buyer is advised to obtain legal advice from a qualified real estate attorney with respect to potential claims tenants renting illegal units may have.**

- 16. COMPLIANCE WITH LOCAL, STATE AND FEDERAL LAWS.** Buyer is advised to consult with appropriate authorities to determine the extent to which local, State and federal laws may affect the ownership and use of the Property.

A. **BUILDING PERMIT HISTORY.** (Applies if the Property contains one or more residential units.) Seller, at Seller's expense, shall order, no later than three (3) days after Acceptance, from the appropriate local governmental agency a Report of Residential Building Record ("3R Report") or similar report and provide same to Buyer. If Buyer does not deliver to Seller, within five (5) or 10 days after receipt of the report, written notice approving it, either party may thereafter terminate this Contract. **Brokers do not investigate or guarantee the accuracy of the information contained in such report. Buyer is strongly advised to investigate to Buyer's own satisfaction the status of zoning, permits or code compliance with the local planning department and not rely solely on the 3R Report or similar report that the Property meets Buyer's intended use.**

B. **UNDERGROUND STORAGE TANKS (USTs).** The parties acknowledge that Article 21 of the San Francisco Health Code requires owners of real property in San Francisco with USTs located on or immediately adjacent to the real property to file a plan for closure of the USTs within thirty (30) days of their discovery. If Seller does not provide Buyer with a written report by a licensed contractor specializing in USTs stating that no such tanks can be located before Acceptance, then Buyer is advised to conduct Buyer's own professional inspection, which Seller shall permit. If the inspection reveals the existence of one or more USTs, then Seller shall, at Seller's expense, remove the USTs and complete any necessary remedial work to the Property prior to Close of Escrow.

C. **ENERGY AND WATER CONSERVATION.** Unless an exemption applies or there has been compliance since October 20, 1991, Seller, at Seller's expense, shall order an energy and/or water conservation inspection report. If the inspection report indicates the need for conservation work, then Seller shall pay the cost of the work, not to exceed the maximum expenditure amount, if any, required by local law. Seller shall complete the work by Close of Escrow and shall file a certificate of compliance with the appropriate agencies.

D. **LEAD-BASED PAINT HAZARDS DISCLOSURE.** Seller shall complete and deliver to Buyer within three (3) days after Acceptance, a Lead-Based Paint Hazards Disclosure and Addendum in compliance with 42 U.S.C. 4852d.

Buyer's Initials

Seller's Initials

*DC.* /*M.* /

- E. NATURAL HAZARDS DISCLOSURE STATEMENT.** Seller shall disclose to Buyer within seven (7) days after Acceptance, if the Property is located in a Special Flood Hazard Area, an Area of Potential Flooding as shown on a dam failure inundation map, a Very High Fire Hazard Severity Zone, a Wildland Fire Area that may contain substantial forest fire risks and hazards, an Earthquake Fault Zone, a Seismic Hazard Zone, or any other zone for which disclosure is required by law.
- F. WATER HEATERS.** California law requires that water heaters be strapped, braced or anchored to resist falling or displacement. The State Uniform Plumbing Code also requires that new or replacement water heaters located in a garage area be installed in such a manner that their ignition point is at least 18 inches above the floor. Buyer is hereby notified that different local authorities may have more stringent requirements, such as in Daly City which requires existing water heaters to be elevated. Seller shall, at Seller's expense, bring any water heater installations into compliance with these requirements prior to Close of Escrow.
- G. SMOKE DETECTORS.** Applicable State and local law requires that every residential property be properly equipped with approved and functioning smoke and/or heat detectors. If such detectors are not installed on the Property in accordance with applicable law, Seller shall install and pay for the detectors prior to Close of Escrow. If the Property is a single-family dwelling, Seller shall deliver to Buyer a written statement of compliance with applicable law before Close of Escrow.
- 17. REAL ESTATE TRANSFER DISCLOSURE STATEMENT.**
- A. **ONE TO FOUR DWELLING UNITS.** If the Property contains one (1) to four (4) dwelling units and a Real Estate Transfer Disclosure Statement (TDS) is required by law, Seller shall complete and deliver to Buyer, within three (3) or \_\_\_\_\_ days after Acceptance, a TDS in compliance with the provisions of California Civil Code §1102 et seq., unless Seller has already done so.
- B. **SUPPLEMENT TO TDS.** If a TDS is required by law, Seller shall complete and deliver to Buyer, within three (3) or \_\_\_\_\_ days after Acceptance, a Supplement to the TDS (SFAR Form XST), unless Seller has already done so.
18. **MEGAN'S LAW.** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet web site maintained by the Department of Justice at [www.meganlaw.ca.gov](http://www.meganlaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.
19. **CONDITION OF PROPERTY.** Seller represents to Buyer and Broker(s) that Seller has no knowledge or notice that the Property has any material defects other than as disclosed by Seller in the TDS or other writing before Acceptance or as soon thereafter as practicable. Seller shall maintain the Property in the same general condition as when this Contract was signed by Buyer and Seller until possession is delivered to Buyer. Seller shall deliver the Property free of debris and in broom-clean condition and provide Buyer, at possession, with existing keys to all property locks, mail boxes, gates, alarms and garage doors, and garage door remote controls, if any. Buyer and Seller agree that Broker(s) shall not be responsible for Seller's performance under this paragraph.
20. **WALK-THROUGH INSPECTION.** Buyer shall have the right to make a final inspection of the Property no later than five (5) or \_\_\_\_\_ days prior to Close of Escrow, not as a condition of the sale but solely to confirm that: (a) the Property is in substantially the same condition as on the date of Acceptance, unless otherwise agreed to in writing; and (b) Seller has complied with all additional written obligations regarding the condition of the Property.
21. **HOME WARRANTY PLANS.** Buyer and Seller acknowledge that they are aware of the availability of home warranty plans which provide limited coverage against system and appliance failures, but have not relied upon any representation by Broker(s) regarding the extent of coverage of any such plan.  (If checked) A one-year home warranty plan shall be purchased at a cost not to exceed \$\_\_\_\_\_, to be paid by \_\_\_\_\_. The cost of any additional coverage shall be borne by Buyer.
22. **RISK OF LOSS.** All risk of loss to the Property shall be borne by Seller until title has been conveyed to Buyer. If improvements on the Property are destroyed or materially damaged in an amount exceeding five percent (5%) of the Purchase Price prior to transfer of title, Buyer shall have the right to terminate this Contract. All damage totaling less than five percent (5%) of the Purchase Price shall be paid by Seller.
23. **AGENCY RELATIONSHIPS CONFIRMATION.** The following agency relationships are hereby confirmed for this transaction:
- Listing Agent (Scott Flaxman Real Estate) Selling Agent (\_\_\_\_\_  
is the agent of  
 the Seller exclusively; or  
 both the Buyer and Seller.  
 the Buyer exclusively; or  
 the Seller exclusively; or  
 both the Buyer and Seller.
24. **BROKERS.** Neither Broker(s) nor Real Estate Agent(s) are parties to this Contract between Buyer and Seller. The term Real Estate Agent as used in this Contract shall mean the licensed individual(s) who have personally served as agent(s) for either the Buyer or the Seller in the preparation, negotiation and review of this Contract.
25. **TIME.** Time is of the essence. All references in this Contract to "days" shall mean calendar days.
26. **TAX WITHHOLDING.** If Seller is a foreign person, as defined in the Foreign Investment in Real Property Tax Act (FIRPTA), Buyer must, unless an exemption applies, withhold from Seller's proceeds ten percent (10%) of the gross sale price of the Property. Also, the California Revenue and Taxation Code requires Buyer to withhold from Seller's proceeds three and one-third percent (3 1/3%) of the gross sale price, unless Seller signs an affidavit stating that the Property has been Seller's principal residence as defined in IRC §121, or another exemption applies. Prior to Close of Escrow, Seller and Buyer shall deliver to Escrow Agent all documentation reasonably necessary to carry out the provisions of these laws. Buyer is authorized to deduct from Seller's proceeds any amounts required thereunder.

Buyer's Initials      Seller's Initials

D.      M.

27. **MEDIATION OF DISPUTES.** If a dispute arises regarding this Contract, Buyer and Seller agree to first attempt in good faith to settle the dispute by non-binding mediation before resorting to court action or binding arbitration. In mediation, a mutually acceptable resolution is sought rather than a settlement being imposed on the parties. Mediation fees shall be paid equally by Buyer and Seller. If the parties cannot agree on a mediator, JAMS (Judicial Arbitration and Mediation Services) shall be used. This paragraph shall not apply to any disputes within the jurisdictional limits of Small Claims Court. Any party who refuses to mediate as required by this paragraph shall not be entitled to any attorney's fees award under this Contract. A court action to obtain a provisional remedy shall not be a violation of this paragraph provided the party commencing the action agrees, pending mediation, to an immediate stay of the court action after obtaining the provisional remedy. This paragraph shall apply regardless of whether the parties also agree to arbitration.
28. **ARBITRATION OF DISPUTES.** Any dispute or claim in law or equity arising out of this Contract or any resulting transaction shall be decided by neutral binding arbitration in accordance with the rules of the AAA or JAMS (determined by the first filing party) and not by court action, except as provided by California law for judicial review of arbitration proceedings. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. Arbitrators can award compensatory damages, punitive damages, and/or order specific performance, injunctive relief and declaratory relief. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The following matters are excluded from arbitration hereunder: (a) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or real property sales contract as defined in Civil Code §2985; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court or a Small Claims Court; or (e) an action for bodily injury or wrongful death. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to arbitrate under this provision.

"NOTICE: BY INITIALLING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALLING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials Seller's Initials (BOTH Buyer's and Seller's initials are required for Arbitration of Disputes to be in effect.)

JC / M / Buyer and Seller acknowledge that they have not received or relied upon any representation by Broker(s) regarding this paragraph and that they have been advised by Broker(s) to seek legal advice regarding arbitration.

29. **LIQUIDATED DAMAGES.** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the Purchase Price. Any excess shall be returned to Buyer. Release of funds will require mutual, signed release instructions from both Buyer and Seller, judicial decision or arbitration award. BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION FOR ANY INCREASED DEPOSIT (e.g., CAR Form RID).

Buyer's Initials Seller's Initials (BOTH Buyer's and Seller's initials are required for Liquidated Damages to be in effect.)

30. **SELLER TERMINATION.** Termination of this Contract by Seller as provided for herein shall be effected only by delivery of a written notice of termination to Buyer which provides at least a 24-hour period to perform contractual term(s) or remove condition(s). In the event that Buyer does not perform as noticed, this Contract shall be of no further force or effect, and all funds, documents and instructions held by Seller, Buyer, Broker(s) or Escrow Agent shall be promptly returned to the person who delivered the same to the holder, unless otherwise expressly provided for herein. Any escrow or title company charges and fees shall be borne by Buyer.

31. **NON-CONFIDENTIALITY OF OFFERS.** Buyer is advised of the possibility that Seller or Seller's representatives may not treat the existence, terms or conditions of offers as confidential unless such is required by law, regulation or an agreement between the parties.

32. **NOTICE AND DELIVERY.** All notices to be delivered by a party under this Contract, including but not limited to the Acceptance and/or any termination notice issued by Buyer or Seller, shall be in writing and effective only upon personal receipt by the other party or that party's Real Estate Agent. Delivery by any method (personal, mail, fax, etc.) other than e-mail is effective.

Buyer's Initials Seller's Initials

JC / M /



33. **ACCEPTANCE.** Under this Contract, Acceptance occurs only when Seller signs Buyer's original offer without any changes and a signed copy of the offer is delivered to Buyer or Buyer's Real Estate Agent, OR when the last of any counter offers has been signed by the receiving party without any changes and a signed copy of that counter offer is delivered to the issuing party.
34. **ATTORNEYS' FEES.** In any action, proceeding or arbitration between Buyer and Seller arising out of this Contract, the prevailing party shall be entitled to reasonable attorney fees and costs from the non-prevailing party.
35. **GENERAL PROVISIONS.** This Contract contains the entire agreement of the parties. Any purported or prior agreement or representation respecting the Property or the duties of Buyer and Seller in relation thereto which is not expressly set forth herein is null and void. No amendment to or modification of this Contract shall be valid or enforceable unless in writing and signed by Buyer and Seller. This Contract shall be binding upon, and inure to the benefit of, the parties' respective heirs, successors and assigns.
36. **MULTIPLE LISTING SERVICE.** The parties grant to the San Francisco Association of REALTORS® Multiple Listing Service (MLS) the right to publish and disseminate the sales price, terms of this Contract and any other information about the Property and authorize their respective Real Estate Agent(s) to submit such information under the applicable MLS Rules.
37. **ACKNOWLEDGMENT OF RECEIPT.** The parties hereby acknowledge receipt of a copy of this Contract and represent that they have read, and that they understand, its provisions.
38. **ADDITIONAL TERMS AND CONDITIONS** including all attached Addenda signed by Buyer and Seller shall be deemed a part of this Contract.
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39. **EXPIRATION.** This offer shall be deemed revoked unless a copy of this Contract with Seller's signature accepting it is delivered to Buyer or Buyer's Real Estate Agent within twenty-four (24) or \_\_\_\_\_ hours of presentation to Seller, or  (if checked) not later than \_\_\_\_\_  a.m.  p.m. on \_\_\_\_\_ (date).

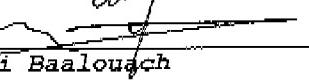
~~NO REPRESENTATION IS MADE AS TO THE LEGAL SUFFICIENCY OR VALIDITY OF ANY PROVISION OF THIS CONTRACT FOR ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER OR AGENT CAN ADVISE ON REAL ESTATE TRANSACTIONS ONLY. FOR LEGAL OR TAX ADVICE, CONSULT A QUALIFIED ATTORNEY OR CPA.~~

Buyer  Date 09/05/2007 Buyer \_\_\_\_\_ Date \_\_\_\_\_  
Ivan CASTRO

#### ACCEPTANCE

The undersigned Seller hereby accepts the foregoing offer and agrees to sell the Property on the terms and conditions set forth herein, or  (if checked) accepts on the above terms and conditions as amended by the counteroffer dated \_\_\_\_\_.

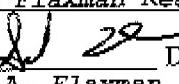
Seller agrees to pay to Listing Broker the amount specified in a separate written listing agreement, or  (if checked) \_\_\_\_\_ and from this amount Seller acknowledges and agrees that Listing Broker will assign to Selling Broker the amount specified in the MLS, or  (if checked) \_\_\_\_\_. Percentages shown shall be based upon the Purchase Price, unless otherwise specified. Compensation to Brokers shall be due and payable (a) upon recordation of the deed or other evidence of title transfer, or (b) if completion of the sale is prevented by default of Seller, upon Seller's default, or (c) if completion of the sale is prevented by default of Buyer, only if and when Seller collects damages from Buyer, by suit or otherwise, and then in an amount equal to one-half of the damages recovered, not to exceed the above compensation after deducting title and escrow expenses and any expenses of collection. Seller hereby irrevocably assigns to Brokers the compensation from Seller's proceeds and irrevocably instructs escrow holder to disburse those funds to Brokers at Close of Escrow. Instructions to escrow regarding compensation can be amended only with the consent of the Brokers. In any action, proceeding, or arbitration relating to the payment of compensation, the prevailing party shall be entitled to reasonable attorney's fees and costs. The undersigned Seller has read and acknowledges receipt of a copy of this Contract, and authorizes Brokers to deliver a signed copy to Buyer.

Seller  Date 09/05/2007 Seller \_\_\_\_\_ Date \_\_\_\_\_  
Ali Baalouach

**AGREEMENT AS TO COMPENSATION AND ACKNOWLEDGMENT OF AGENCY RELATIONSHIPS.** Broker(s) hereby agree to the terms and conditions for compensation stated above and acknowledge the agency relationships confirmed in paragraph 23.

Listing Broker Scott Flaxman Real Estate

Selling Broker \_\_\_\_\_

Real Estate Agent for Seller  Date 09/05/2007  
Scott A. Flaxman

Real Estate Agent for Buyer \_\_\_\_\_ Date \_\_\_\_\_

Reviewed by Managing Broker \_\_\_\_\_ Date \_\_\_\_\_



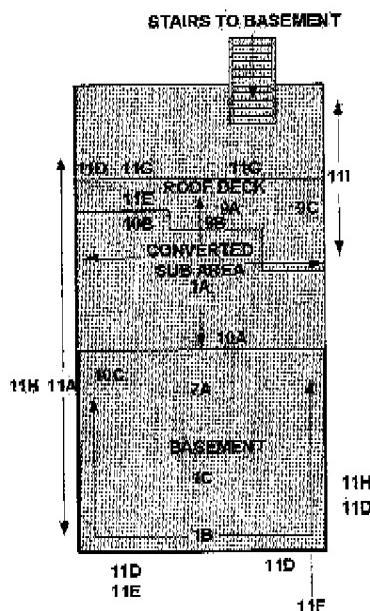
## **WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT**

BUILDING NO.	STREET	CITY	ZIP	Date of inspection	NUMBER OF PAGES
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## **PREVENTION INSPECTION SERVICES, INC.**

(415)370 9961 FAX (650) 745 0744  
1748 SWEETWOOD DR  
DALY CITY, CA. 94015  
PR 3879

Ordered by: <b>DANIEL TEALD! REDBRICK LENDING 1001 BAYHILL DRIVE SUITE 200 SAN BRUNO, CA. 94066 PH.# 866-733-3974</b>	Property Owner and/or Party of Interest	Report sent to:
<input checked="" type="checkbox"/> COMPLETE REPORT <input type="checkbox"/> LIMITED REPORT	<input type="checkbox"/> SUPPLEMENTAL REPORT	<input type="checkbox"/> REINSPECTION REPORT
<p>GENERAL DESCRIPTION:</p> <p>This is a two story, wood sided, multi-family residence. It has no garage or carport and an attached patio. It has a composition roof and was occupied and furnished at the time of inspection.</p>		<p>inspection Tag Posted: Subarea.</p> <p>Other Tags Posted:</p>
<p>An inspection has been made of the structure(s) on the diagram in accordance with the the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.</p>		
<p><input type="checkbox"/> Subterranean Termites    <input type="checkbox"/> Drywood Termites    <input checked="" type="checkbox"/> Fungus/Dryrot    <input checked="" type="checkbox"/> Other Findings    <input checked="" type="checkbox"/> Further Inspection</p> <p>If any of the above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items</p>		
<p>Key: 1 = Substructure    2 = Stai Shower    3 = Foundation    4 = Porches    5 = Vents    6 = Abutments    7 = Attic    8 = Garage    9 = Patio    10 = Interior    11 = Exterior</p>		



## Front of Structure

Inspected By BRET HUSTED License No. FR 37705 Signature \_\_\_\_\_

You are entitled to obtain copies of all reports and completion notices on this property report to the Structural Pest Control Board during the proceeding two years. To obtain copies contact: Structural Pest Control Board, 1416 Howe Avenue, Suite 140, Sacramento, California, 95825-3204.

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## NOTES, CAUTIONS AND DISCLAIMERS AREA

The pest control industry recognizes a structure to have certain areas both inaccessible and not inspected. These areas include but are not limited to: Inaccessible and/or insulated attics or portions thereof, attics with less than 18" clear crawl space, the interior of hollow walls; the crawl space underneath a deck less than 12"; covered ceilings; spaces between a floor or porch deck and the ceiling below; areas where there is no access without defacing or tearing lumber, masonry, or finished work; areas underneath, behind or below appliances or beneath floor coverings or furnishings or storage, locked areas, and areas requiring an extension ladder; areas where encumbrances, storage, conditions, or locks make inspection impractical; and areas or timbers around eaves that would require use of an extension ladder.

Slab floor construction has become more prevalent in recent years. Floor covering may conceal cracks in the slab that will allow infestations to enter. Infestations may be concealed by plaster, sheetrock or other wall coverings so that a diligent inspection may not uncover the true condition. The roof was not inspected due to lack of accessibility, qualification and licensing. These areas are not practical to inspect because of health hazards, damage, obstruction or inconvenience and unless specified or described in this wood destroying pests and organisms inspection report. This company shall exercise due care during inspections and treatments but assumes no liability for any damage to tiles, slates, shingles or other roofing materials, including patio covers, aluminum awnings, solar heating, plants, shrubbery or paint during any type of treatment.

In the performance of corrective measures, it may be necessary to drill into concealed areas and/or to cut or remove plants. The termite exterminator will not be liable for plumbing, heating, electrical, gas lines and equipment in or under a slab, nor to plants which may be damaged during treatments and/or repairs.

### Guarantee policy:

This guarantee excludes structures with sub slab heating/air conditioning systems, plenum construction with air conditioning and heating duct in use, a well or cistern within fifty feet and areas that are inaccessible for treatment. Additional exclusions include structures with damage to or from excessive moisture, inadequate construction, areas of inaccessibility, deteriorating materials, masonry failure, grade alteration, pipes and conduits beneath concrete slab, furnishings or contents, etc. No guarantee will be issued for any work that is a secondary recommendation or work completed by others. Guaranteed for thirty days are any plumbing, grouting, caulking and resetting of commodes, sinks or enclosures. All other work performed by this company shall be guaranteed for the duration of one year.

This wood destroying pests and organisms inspection report does not include work which requires contact with materials containing asbestos. Termite inspectors have no expertise or license in asbestos analysis. Asbestos is a natural occurring mineral fiber used extensively in construction prior to 1978. The owner, employee or contractor must determine the asbestos status prior to the commencement of work on a project. Occupants and employees must be protected from asbestos fiber release. Should asbestos be observed during any construction or demolition, work must stop. The owner shall obtain the services of an asbestos abatement contractor to evaluate the situation, provide the necessary services and certify the area safe before work may resume. Asbestos statement ref: Ab2040, sb2572 and general industry safety order number 5208.

The purpose of this report is to document findings and recommendations which pertain to the absence or presence of wood destroying organisms and or conducive condition[s] at the time of inspection. This report should be read carefully and is not to be confused with a home maintenance survey. The client's cooperation and compliance to correct and/or complete the recommendations documented in this report are obligatory. Without a mutual effort this company can not assure effective or satisfactory results.

This company is not responsible for damage found during the course of repairs nor damage in areas that were inaccessible at the time of inspection. Any contractor or other persons who may perform work related to this report must assume full responsibility for any additional work.

The owner of this structure has certain obligations regarding maintenance and pertaining to the deterrence of wood destroying organisms. Maintenance procedures include, but are not limited to: Reasonable cleaning, upkeep of roofs, gutters and downspouts; painting and sealing of exposed surfaces; caulking about doors and windows or grouting about commodes, tub and shower enclosures; storing materials one foot away the structure's foundations; providing

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*adequate ventilation, maintaining proper drainage away from structure (including sprinkler systems); keeping soil levels below the top of foundations and prohibiting earth contact with wood components of the structure(s).*

Foundations are inspected for grade level conditions only. Other inspections of the foundation are beyond the scope and licensing of a Structural Pest Control Inspection.

The Structural Pest Control Board encourages competitive business practices among registered companies. Reports on this structure prepared by various registered companies should list the same findings (ie. Termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. Therefore, you may wish to seek a second opinion since there may be alternative methods of correcting the findings listed on this report that may be less costly.

**SECTIONED REPORTING:** This is a separated report which is defined as section 1 or section 2 conditions evident on the date of this inspection. Section 1 contains items where there is evidence of active infestation, infection or conditions that have resulted in or from infestation or infection on the date of inspection. Section 2 items are conditions deemed likely to lead to infestation or infection but where no visible evidence of such was found on the inspection date. Further inspection items are defined as recommendations to inspect area(s) which during the original inspection did not allow the inspector access to complete his inspection and cannot be defined as Section 1 or Section 2.

## 1. SUBSTRUCTURE AREA

### ITEM NO. 1A

NOTE:

The subarea walls and ceilings in the area indicated on the diagram have been converted to a living area and are completely sheetrocked. The slab floor is covered. This condition made areas normally inspected impractical to inspect. No outward signs of infection or infestation was noted other than detailed in this report but hidden damage/infestation may exist.

Further information regarding concealed framing will entail removal of floor coverings and portions of the walls and of ceiling covers. Further inspection is recommended and will be performed only upon request and at additional costs.

### ITEM NO. 1B

(Information Only)

NOTE:

The BRICK FOUNDATION is referred to a structural foundation engineer of choice, for seismic upgrades and further opinion.

### ITEM NO. 1C

RECOMMENDATION: 1C

Scattered evidence of WOOD BORING BEETLE infestation was noted throughout portions of the subarea framing including floor joists at the first floor, sills and cripple walls.

RECOMMENDATION: 1C

Fumigate the structure with a fumigant lethal to BEETLES. See the occupants fumigation notice for further details. This company is not responsible for delays or schedule changes due to inclement weather or other agencies. Refer to the occupant's fumigation notice/preparation sheet (sent separately) for additional information. Any price noted is an estimate. Contact us if a firm bid is required.

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**ITEM NO. 1D** (Section 1)

FINDING AND RECOMMENDATION: 1D WOOD BORING BEETLE/FUNGUS DAMAGE noted at the subarea framing in the basement area indicated on the diagram. Indicated by 1C

REMOVE the damaged wood for further inspection. If no further damage is exposed replace the damaged wood with new materials.

**ITEM NO. 1E**

FINDING AND RECOMMENDATION: 1E

Performance of work outlined in this report may require a building permit. The costs of such permits will be added to the amounts listed in the work authorization for itemized repairs. Issuance of a preliminary notice shall also be furnished within 20 days of the issuance of the work authorization per state requirements and mechanics lien laws. The consumer may contract with other contractors/ individuals for any work listed in the report at no detriment. This firm shall not be responsible for work performed by others and supplemental inspections should be made through the course of work performed by others before areas are covered or made otherwise inaccessible.

**ITEM NO. 1F** (Information Only)

NOTE:

The STRUCTURE has been subject to some SETTLEMENT. Concerned parties advised to review support system and improvement of same as determined warranted by a qualified STRUCTURAL ENGINEER of choice. There is NO TARGET on the diagram.

**7. ATTIC AREA****ITEM NO. 7A** (Section 2)

FINDING AND RECOMMENDATION: 7A

The attic ventilation is non-conforming by today's standards. Vents are required at the rate of one square foot of opening for each 150 square foot of floor space.

Concerned parties should contact a general contractor for blds.

**9. DECKS AND PATIOS AREA****ITEM NO. 9A** (Section Not Determined)

FINDING AND RECOMMENDATION: 9A

The integrity of the waterproof membrane at the rear roof deck is unknown.

If concerned parties request further inspection, the inspection should be made by the appropriate trades. The buyer is advised to get warranty from the seller.

**ITEM NO. 9B** (Section 1)

FINDING AND RECOMMENDATION: 9B

FUNGUS/DRYROT DAMAGE noted at the indicated rear door and threshold.

REMOVE AND REPLACE the damaged wood with new materials. Painting/staining is not included. If damage extends into inaccessible areas a supplemental report will be issued.

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**ITEM NO. 9C** (Section 1)

FINDING AND RECOMMENDATION: 9C POCKETS OF FUNGUS DAMAGE to DECK and DECK RAILING ASSEMBLY noted by 9C on the diagram.

REMOVE AND REPLACE the damaged wood with new materials of redwood and/or pressure treated wood. Contact a decking repair company for further inspection and estimates. This firm does not repair decks or fences. No estimate is provided.

## 10. INTERIOR AREA

**ITEM NO. 10A** (Section 1)

FINDING AND RECOMMENDATION: 10A FUNGUS/DRYROT DAMAGE noted at the indicated basement walls in the area indicated. Damage is due to bathroom shower/ toilet leaks. The damage is not structural in nature. The price quoted on the work authorization is an estimate only.

REMOVE AND REPLACE the damaged wood with new materials. Painting/staining is not included. If damage extends into inaccessible areas a supplemental report will be issued.

**ITEM NO. 10B** (Section 1)

FINDING AND RECOMMENDATION: 10B FUNGUS INFECTON to the wood flooring in the second floor bathroom behind the roof deck .

Repair the sub floor and framing as required. Reset standard grade vinyl supplied by the owner, if applicable. If damage runs into inaccessible areas a supplemental report with estimates will be provided.

**ITEM NO. 10C** (Section 2)

FINDING AND RECOMMENDATION: 10C The first floor toilet is LOOSE at the area indicated. The tile at the tub surround is missing grout and should have preventative maintenance performed.

Contact the appropriate trades to remove the commode, reset the toilet with a new wax ring and regROUT and caulk the tub.

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## 11. EXTERIOR AREA

### ITEM NO. 11A

(Section Not Determined)

#### FINDING AND RECOMMENDATION: 11A

The exterior wood/stucco siding at the west side is considered INACCESSIBLE FOR INSPECTION, due to being covered with SHINGLE SIDING. Conditions do not warrant further inspection at this time, but hidden damage or infestation may possibly exist.

The buyer is advised to get full disclosure from the seller as to their knowledge of damage in these inaccessible areas.

### ITEM NO. 11B

NOTE:

The composition shingle roof is installed over water/fungus damaged cedar shingle roofing. No representation of the integrity of the roof is made in this report and the buyer should be aware that the wood shingles below the roof covering will be required to be removed at any roof tear off due to current building codes.

### ITEM NO. 11C

#### FINDING AND RECOMMENDATION: 11C

PEELING PAINT was noted at the front the exterior siding and window ledges. This condition is conducive to fungus infection. Probing wood members did not reveal sufficient damage to warrant structural repairs, unless noted in other findings. There is NO TARGET on the diagram.

Contact a licensed painter to paint the exterior. No bids are provided for exterior painting.

### ITEM NO. 11D

(Section 1)

#### FINDING AND RECOMMENDATION: 11D

FUNGUS/DRYROT DAMAGE was detected at the WINDOW FRAMES in the areas indicated.

Remove the windows. Replace the damaged frame as necessary. Replace the window. If framing damage in inaccessible areas below the windows is discovered during the course of repairs additional charges will be incurred. We make no bid on this finding due to the nature of the repair. The price noted is an estimate.

### ITEM NO. 11E

(Information Only)

NOTE:

A failed moisture seal was noted at several dual pane windows. This is an indication of excessive moisture. The windows should be repaired and further evaluation is recommended to determine if leaks at the window casings have caused damage to the surrounding concealed framing.

### ITEM NO. 11F

#### FINDING AND RECOMMENDATION: 11F

Attached fence has EARTH-WOOD CONTACT noted as 11F on the diagram.

We recommend the owner or his agents to separate fence with aluminum flashing.

### ITEM NO. 11G

(Section 1)

#### FINDING AND RECOMMENDATION: 11G

FUNGUS/DRYROT DAMAGE noted at the indicated exterior siding.

REMOVE AND REPLACE the damaged wood with new materials. Painting/staining is not included. If damage extends into inaccessible areas a supplemental report will be issued.

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**ITEM NO. 11H** (Section 2)

**FINDING AND RECOMMENDATION:** 11H

A wood gutter is indicated by 11H on the diagram. This condition is conducive to infection and/or infestation.

Concerned parties should contact a gutter/downdrain specialist to correct this condition.

**ITEM NO. 11I**

**RECOMMENDATION:** 11I

Earth to wood contact was noted at the exterior siding in the area indicated.

We recommend owner or his agents breaking the EARTH-WOOD CONTACT in accordance with local building codes and approved building practices. We make no bid on this recommendation. Concerned parties should contact a general contractor or handyman for bids.

**ITEM NO. 11J****NOTE:**

Retrofit or upgraded windows were noted at the property. The method of waterproofing the windows and the original conditions of the framing around the windows is not visible for inspection. While no damage was noted unless otherwise noted in the report hidden damage may exist. The owner should make periodical inspections of all window frames and window surround for signs of moisture penetration.

The rear area enclosed by fiberglass roofing should not be considered at water tight and moisture intrusion may occur at the rear steps during heavy rains.

**COMMENTS AND OTHER INFORMATION AREA**

*CALIFORNIA STATE LAW REQUIRES THAT YOU BE GIVEN THE FOLLOWING INFORMATION: "caution pesticides are toxic chemicals". Structural pest control operators are licensed and regulated by the structural pest control board, and apply pesticides which are registered and approved for use by the California department of food and agriculture and the United States environmental protection agency. Registration is granted when the state finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized.*

*If within twenty-four hours following application you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center at: [(415) 428-3240] Alameda [(415) 666-2845] San Francisco and your pest control operator immediately. For additional information contact the county health department; county agricultural department and the structural pest control board, 1422 Howe Ave., Sacramento, CA 95825-3280.*

*If we have recommended the use of a fungicide we will use:*

*\* copper napthenate - (a/i) copper napthenate: 20% - inert ingredients: 80%*

*If we have recommended the treatment of subterranean termites we will use:*

*\* Demon t/c - (a/i) cypermethrin 90-cyano-[3-phenoxyphenyl]-[methyl-cis, trans-3-[2,2-dichloroethyl]-2,2-dimethylcyclopropane-carboxylate] 25.3%*

*If we have recommended the treatment of wood boring beetles we will use:*

*\* Dursban I/O - (a/i) chloropyrifos (0,0-diethyl 0-[3,5,6-trichloro-2-pyridinyl] phosphorothioate) 41.5%*

*For further information contact any of the following:*

Ph#:	County Health	Ag. Dept.	Poison Control
SF Co	(415) 554-2500	(415) 469-6301	(415) 476-6600
SM Co	(415) 573-2222	(415) 363-4700	(415) 476-6600
SC Co	(408) 299-5858	(408) 299-2171	(408) 299-5112
OC Co	(510) 646-4416	(510) 646-5250	(510) 646-6600
AI Co	(510) 522-0889	(510) 670-5232	(800) 523-2222

**PREVENTION INSPECTION SERVICES, INC.**

(415)370 9961 FAX (650) 745 0744  
 1748 SWEETWOOD DR  
 DALY CITY, CA. 94015

**INVOICE****Invoice Number:**

200701748

**Invoice Date:**

07/02/2007

Bill To:

DANIEL TEALDI  
 REDBRICK LENDING  
 1001 BAYHILL DRIVE SUITE 200  
 SAN BRUNO, CA 94066  
 PH.# 866-733-3974

Address of Property Inspected:

68 CAYUGA AVE  
 SAN FRANCISCO, CA 94112

Invoice Description:

Date of Inspection: 07/02/2007

Termite Inspection Report Fee: \$	275.00	<i>(Termite work not included.)</i>
(CHECK# 469 BH) Payments: \$	275.00	Date: 07/05/2007

**TOTAL DUE: \$ 0.00**

Escrow Number:

Escrow Officer:

**NOTICE TO OWNER**

Under the California Mechanics Lien Law any structural pest control company which contracts to do work for you, any contractor, subcontractor, laborer, supplier or other person who helps to improve your property, but is not paid for his or her work or supplies, has a right to enforce a claim against your property. This means that after a court hearing, your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural pest control company in full if the subcontractor, laborers or suppliers remain unpaid.

To preserve their right to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are required to provide you with a document entitled "Preliminary Notice". Prime contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.

**Work Authorization****PREVENTION INSPECTION SERVICES, INC.**

BUILDING NO.	STREET	CITY	ZIP	COUNTY CODE	DATE OF INSPECTION
68	CAYUGA AVE	SAN FRANCISCO	94112	38	07/02/2007

**Section 1**

1C	=	4100.00	P
1D	=	6600.00	P
9B	=	550.00	P
10A	=	450.00	P
10B	=	1200.00	P
11B	=	Roofer	
11D	=	900.00	P
11G	=	950.00	P

**Section 1 Totals**

Total using primary recs	\$	14750.00
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**Section 2**

10C = Owner/Other

**Section 2 Totals**

Total using primary recs	\$	0.00
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Cost of all Primary Recommendations \$	14750.00
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**NOTE:** Damage found in Inaccessible Areas may require a Supplemental report and/or Work Authorization, or may require amendments to this Work Authorization.

1. If FURTHER INSPECTION is recommended, if additional work is required by any government agency, or if additional damage is discovered while performing the repairs, this company reserves the right to increase price.
2. Prevention Inspection Services reserves the right to make further inspection before accepting work.
3. This company will use due caution and diligence in their operations but assume no responsibility for matching existing colors and styles, or for incidental damage to roof coverings, Tv. Antennae, solar panels, rain gutters, plant life, or paint.
4. This report is limited to the accessible areas shown on the diagram. Please refer to the report for the areas not inspected.
5. If this contract is to be paid out of escrow, the buyers and sellers agree to provide this company with all escrow billing information required to collect the amount due. The persons signing this contract are responsible for payment, and if the escrow does not close within 30 days after the date of completion of the work agree to pay in full the amount specified in this work authorization agreement.
6. If this agreement includes a charge for opening an area for FURTHER INSPECTION, it is for opening the area only and does not include making additional repairs, if needed, nor does it include replacing removed or damaged floor coverings, wall coverings, or painted exposed surfaces unless specifically stated.

**NOTICE TO OWNER**

Under the California Mechanics Lien Law any structural pest control company which contracts to do work for you, any contractor, subcontractor, laborer, supplier or other person who helps to improve your property, but is not paid for his or her work or supplies, has a right to enforce a claim against your property. This means that after a court hearing, your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural pest control company in full if the subcontractor, laborers or suppliers remain unpaid.

To preserve their right to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are required to provide you with a document entitled "Preliminary Notice". Prime contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.

Authorized to perform items: \_\_\_\_\_ Cost of work authorized: \$ \_\_\_\_\_

OWNER or OWNER's AGENT:

DATE:

PREVENTION INSPECTION SERVICES, INC.

X

ESCROW:



CALIFORNIA  
ASSOCIATION  
OF REALTORS®

**RESIDENTIAL LISTING AGREEMENT**  
**(Exclusive Authorization and Right to Sell)**  
(C.A.R. Form RLA, Revised 4/07)

**1. EXCLUSIVE RIGHT TO SELL:**

hereby employs and grants Ali Baalouach  
Scott Flaxman Real Estate  
beginning (date) August 3, 2007 and ending at 11:59 P.M. on (date) November 3, 2007 (Time);  
the exclusive and irrevocable right to sell or exchange the real property in the City of San Francisco,  
County of San Francisco, Assessor's Parcel No. 6752 - 021,  
California, described as: 68 Cayuga.

**2. ITEMS EXCLUDED AND INCLUDED:** Unless otherwise specified in a real estate purchase agreement, all fixtures and fittings attached to the Property are included, and personal property items are excluded, from the purchase price.

**ADDITIONAL ITEMS EXCLUDED:**

Seller intends that the above items be excluded or included in offering the Property for sale, but understands that: (i) the agreement supersedes any intention expressed above and will ultimately determine which items are excluded and included; and (ii) Broker is not responsible for and does not guarantee that the above exclusions and/or inclusions will be in the purchase agreement.

**3. LISTING PRICE AND TERMS:**

A. The listing price shall be Nine Hundred Seventy-Nine Thousand

Dollars (\$ 979,000.00)

B. Additional Terms:

**4. COMPENSATION TO BROKER:**

**Notice:** The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between Seller and Broker (real estate commissions include compensation and fees to Broker).

- A. Seller agrees to pay to Broker as compensation for services irrespective of agency relationship(s), either  1.0% of the listing price (or if a purchase agreement is entered into, of the purchase price), or  \$ \_\_\_\_\_ AND
- (1) If during the Listing Period, or any extension, Broker, Seller, cooperating broker, or any other person procures a buyer who offers to purchase the Property on the above price and terms, or on any price and terms acceptable to Seller, is entitled to compensation whether any escrow resulting from such offer closes during or after the expiration of the Period.)
  - OR (2) If within \_\_\_\_\_ calendar days (a) after the end of the Listing Period or any extension; or (b) after any cancellation of this Agreement, unless otherwise agreed, Seller enters into a contract to sell, convey, lease or otherwise transfer the Property to anyone ("Prospective Buyer") or that person's related entity: (i) who physically entered and was shown the Property during the Listing Period or any extension by Broker or a cooperating broker; or (ii) for whom Broker or a cooperating broker submitted to Seller a signed, written offer to acquire, lease, exchange or obtain an option on the Property. Seller, however, shall have no obligation to Broker under paragraph 4A(2) unless, not later than 3 calendar days after the end of the Listing Period or any extension or cancellation, Broker has given Seller a written notice of the name of such Prospective Buyers.
  - OR (3) If, without Broker's prior written consent, the Property is withdrawn from sale, conveyed, leased, rented or transferred, or made unmarketable by a voluntary act of Seller during the Listing Period, or any extension.
- B. If completion of the sale is prevented by a party to the transaction other than Seller, then compensation due under paragraph A shall be payable only if and when Seller collects damages by suit, arbitration, settlement or otherwise, and then in an amount equal to the lesser of one-half of the damages recovered or the above compensation, after first deducting title and recording expenses and the expenses of collection, if any.
- C. In addition, Seller agrees to pay Broker:
- (1) Seller has been advised of Broker's policy regarding cooperation with, and the amount of compensation offered to, other brokers:
- (1) Broker is authorized to cooperate with and compensate brokers participating through the multiple listing service ("MLS") by offering MLS brokers either  2.500 percent of the purchase price, or  \$ \_\_\_\_\_
  - (2) Broker is authorized to cooperate with and compensate brokers operating outside the MLS as per Broker's policy
- E. Seller hereby irrevocably assigns to Broker the above compensation from Seller's funds and proceeds in escrow. Broker shall submit this Agreement, as instructions to compensate Broker pursuant to paragraph 4A, to any escrow regarding the transaction involving Seller and a buyer, Prospective Buyer or other transferee.
- F. (1) Seller represents that Seller has not previously entered into a listing agreement with another broker regarding the Property unless specified as follows:
- (2) Seller warrants that Seller has no obligation to pay compensation to any other broker regarding the Property unless the Property is transferred to any of the following individuals or entities:
- (3) If the Property is sold to anyone listed above during the time Seller is obligated to compensate another broker, (i) Seller is not entitled to compensation under this Agreement; and (ii) Broker is not obligated to represent Seller in such transaction.

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RLA REVISED 4/07 (PAGE 1 OF 3)

Seller acknowledges receipt of a copy of this page.  
Seller's Initials MF (\_\_\_\_\_)

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

Agent: <u>Scott Flaxman</u>	Phone: (415) 571 - 0582	Fax: _____
Broker: <u>Scott Flaxman Real Estate 21 Buena Vista Road South San Francisco, CA 94080</u>		Prepared using WINForms®

68 Cayuga

Property Address: San Francisco, Ca 94112

Date: August 3, 2007

- 5. OWNERSHIP, TITLE AND AUTHORITY:** Seller warrants that: (i) Seller is the owner of the Property; (ii) no other persons or entities have title to the Property; and (iii) Seller has the authority to both execute this Agreement and sell the Property. Excluded from ownership, title and authority are as follows:
- 6. MULTIPLE LISTING SERVICE:** All terms of the transaction, including financing, if applicable, will be provided to the service for publication, dissemination and use by persons and entities on terms approved by the MLS. Seller authorizes Broker to do so with all applicable MLS rules. MLS rules allow MLS data to be made available by the MLS to additional Internet sites unless Broker gives the MLS instructions to the contrary. MLS rules generally provide that residential real property and vacant lot rental submitted to the MLS within 48 hours of some other period of time after all necessary signatures have been obtained on the agreement. However, Broker will not have to submit this listing to the MLS if, within that time, Broker submits to the MLS a signed by Seller (C.A.R. Form SEL or the locally required form) instructing Broker to withhold the listing from the MLS. Information about this listing will be provided to the MLS of Broker's selection unless a form instructing Broker to withhold the listing from the MLS is attached to this listing Agreement.
- 7. SELLER REPRESENTATIONS:** Seller represents that, unless otherwise specified in writing, Seller is unaware of: (i) any liens or Default recorded against the Property; (ii) any delinquent amounts due under any loan secured by, or other obligation affecting the Property; (iii) any bankruptcy, insolvency or similar proceeding affecting the Property; (iv) any litigation, arbitration, administrative action, government investigation or other pending or threatened action that affects or may affect the Property or Seller's ability to transfer it; and (v) any current, pending or proposed special assessments affecting the Property. Seller shall promptly notify Broker in writing if Seller becomes aware of any of these items during the Listing Period or any extension thereof.
- 8. BROKER'S AND SELLER'S DUTIES:** Broker agrees to exercise reasonable effort and due diligence to achieve the purposes of this Agreement. Unless Seller gives Broker written instructions to the contrary, Broker is authorized to order reports and disclosures appropriate or necessary and advertise and market the Property by any method and in any medium selected by Broker, including the MLS and the Internet, and, to the extent permitted by these media, control the dissemination of the information submitted in such medium. Seller agrees to consider offers presented by Broker, and to act in good faith to accomplish the sale of the Property among other things, making the Property available for showing at reasonable times and referring to Broker all inquiries of any persons interested in the Property. Seller is responsible for determining at what price to list and sell the Property. Seller further agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments and attorney fees arising from any incorrect information supplied by Seller, or from any material facts that Seller knows but fails to disclose.
- 9. DEPOSIT:** Broker is authorized to accept and hold on Seller's behalf any deposits to be applied toward the purchase price.
- 10. AGENCY RELATIONSHIPS:**
- A. **Disclosure:** If the Property includes residential property with one-to-four dwelling units, Seller shall receive a "Form Regarding Agency Relationships" form prior to entering into this Agreement.
  - B. **Seller Representation:** Broker shall represent Seller in any resulting transaction, except as specified in paragraph 4.
  - C. **Possible Dual Agency With Buyer:** Depending upon the circumstances, it may be necessary or appropriate for Broker to act as an agent for both Seller and buyer, exchange party, or one or more additional parties ("Buyer"). Broker shall, as so practicable, disclose to Seller any election to act as a dual agent representing both Seller and Buyer. If a Buyer is procured directly by Broker or an associate-licensee in Broker's firm, Seller hereby consents to Broker acting as a dual agent for Seller and such Buyer. In the event of an exchange, Seller hereby consents to Broker collecting compensation from additional parties for services rendered, provided there is disclosure to all parties of such agency and compensation. Seller understands and agrees that: (i) Broker, without the prior written consent of Seller, will not disclose to Buyer that Seller is willing to sell the Property at a price less than the listing price; (ii) Broker, without the prior written consent of Buyer, will not disclose to Seller that Buyer is willing to pay a price greater than the offered price; and (iii) except for (i) and (ii) above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties.
  - D. **Other Sellers:** Seller understands that Broker may have or obtain listings on other properties, and that potential buyers may consider, make offers on, or purchase through Broker, property the same as or similar to Seller's Property. Seller consents to Broker's representation of sellers and buyers of other properties before, during and after the end of this Agreement.
  - E. **Confirmation:** If the Property includes residential property with one-to-four dwelling units, Broker shall confirm the relationship described above, or as modified, in writing, prior to or concurrent with Seller's execution of a purchase agreement.
- 11. SECURITY AND INSURANCE:** Broker is not responsible for loss of or damage to personal or real property, or persons while attributable to use of a keysafe/lockbox, a showing of the Property, or otherwise. Third parties, including, but not limited to appraisers, inspectors, brokers and prospective buyers, may have access to, and take videos and photographs of, the interior of the Property. Seller agrees: (i) to take reasonable precautions to safeguard and protect valuables that might be accessible during showings of the Property; and (ii) to obtain insurance to protect against these risks. Broker does not maintain insurance for Seller.
- 12. KEYSAFE/LOCKBOX:** A keysafe/lockbox is designed to hold a key to the Property to permit access to the Property by cooperating brokers, MLS participants, their authorized licensees and representatives, authorized inspectors, and prospective buyers. Broker, cooperating brokers, MLS and Associations/Boards of REALTORS® are not insurers against theft, loss, vandalism or damage attributed to the use of a keysafe/lockbox. Seller does (or if checked,  does not) authorize Broker to install a keysafe/lockbox. If Seller does not occupy the Property, Seller shall be responsible for obtaining occupant(s) permission for use of a keysafe/lockbox.
- 13. SIGN:** Seller does (or if checked,  does not) authorize Broker to install a FOR SALE/SOLD sign on the Property.
- 14. EQUAL HOUSING OPPORTUNITY:** The Property is offered in compliance with federal, state and local anti-discrimination laws.
- 15. ATTORNEY FEES:** In any action, proceeding or arbitration between Seller and Broker regarding the obligation to pay compensation, Seller or Broker, except as provided in paragraph 19A.
- 16. ADDITIONAL TERMS:**



68 Cayuga  
Property Address: San Francisco, Ca 94112

Date: August 3, 2007

17. MANAGEMENT APPROVAL: If an associate-licensee in Broker's office (salesperson or broker-associate) enters Agreement on Broker's behalf, and Broker or Manager does not approve of its terms, Broker or Manager has the right to cancel Agreement, in writing, within 5 Days After its execution.
18. SUCCESSORS AND ASSIGNS: This Agreement shall be binding upon Seller and Seller's successors and assigns.
19. DISPUTE RESOLUTION:

A. MEDIATION: Seller and Broker agree to mediate any dispute or claim arising between them out of this Agreement resulting transaction, before resorting to arbitration or court action, subject to paragraph 19B(2) below. Paragraph 19B(2) applies whether or not the arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the involved. If, for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

B. ARBITRATION OF DISPUTES: (1) Seller and Broker agree that any dispute or claim in law or equity arising between them regarding the obligation to pay compensation under this Agreement, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraph 19B(2) below. The arbitrator shall be a mutually agree to a different arbitrator, who shall render an award in accordance with substantive California law. The parties shall have the right to discovery in accordance with California Code of Civil Procedure §1283.05. In all respects, the arbitration shall be conducted in accordance with Title 9 of Part III of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. Interpretation of this agreement to arbitrate shall be governed by the Federal Arbitration Act.

(2) EXCLUSIONS FROM MEDIATION AND ARBITRATION: The following matters are excluded from mediation or arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in California Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims, bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for garnishment, attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the mediation-arbitration provisions.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHT YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPENDED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Seller's Initials M / 08/03/07 Broker's Initials /

20. ENTIRE AGREEMENT: All prior discussions, negotiations and agreements between the parties concerning the subject matter of this Agreement are superseded by this Agreement, which constitutes the entire contract and a complete and exclusive expression of the parties' agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. This Agreement and any supplement, addendum or modification, including any photocopy or facsimile, may be executed in counterparty form.

By signing below, Seller acknowledges that Seller has read, understands, received a copy of and agrees to the terms of this Agreement. W.S.

Seller \_\_\_\_\_ Address \_\_\_\_\_ City \_\_\_\_\_ Date August 3, 2007  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Seller \_\_\_\_\_ Address \_\_\_\_\_ City \_\_\_\_\_ Date \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Real Estate Broker (Firm) \_\_\_\_\_ Scott Flaxman Real Estate DRE Lic. # SCOTT A. FLAXMAN  
By (Agent) \_\_\_\_\_ Address \_\_\_\_\_ City \_\_\_\_\_ Date August 3, 2007  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON LEGAL MATTERS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.  
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RLA REVISED 4/07 (PAGE 3 OF 3)

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

RESIDENTIAL LISTING AGREEMENT - EXCLUSIVE (RLA PAGE 3 OF 3)



CALIFORNIA  
ASSOCIATION  
OF REALTORS®

## Seller's Advisory

(C.A.R. Form SA, Revised 10/01)

Property Address: 68 Cypress, San Francisco, CA 94112

**1. INTRODUCTION:** Selling property in California is a process that involves many steps. From start to finish, it could take from a few weeks to many months, depending upon the condition of your Property, local market conditions and other factors. You have already taken an important first step by listing your Property for sale with a licensed real estate broker. Your broker will guide you through the process and may refer you to other professionals as needed. This advisory addresses many things you need to think about and do as you market your Property. Some of these things are requirements imposed upon you, either in the listing or sale contract. Others are simply practical matters that may arise during the process. Please read this document and, if you have any questions, ask your broker for help.

**2. DISCLOSURES:**

**A. General Disclosure Duties:** You must affirmatively disclose to the buyer, in writing, any and all known facts that materially affect the value or desirability of your Property. You must disclose these facts whether or not asked about such matters by the buyer, any broker, or anyone else. This duty to disclose applies even if the buyer agrees to purchase your Property in its condition without requiring you to make any repairs. If the Property you are selling is a residence with one to four units, your broker also has a duty to conduct a reasonably competent and diligent visual inspection of the accessible areas and to advise the buyer all adverse material facts that the inspection reveals. If your broker discovers something that could indicate a defect, your broker must advise the buyer.

**B. Statutory Duties: (For one-to-four Residential Units):**

(1) You must timely prepare and deliver to the buyer, among other things, a Real Estate Transfer Disclosure Statement and a Natural Hazard Disclosure Statement ("NHD"). You have a legal obligation to honestly and completely fill out this form in its entirety. (Many local entities or organizations have their own supplement to the TDS that you may also be required to complete.) The NHD is a statement indicating whether your Property is in certain designated flood, fire or earthquake hazard zones. Third-party professional companies can help you with this task.

(2) Depending upon the age and type of construction of your Property, you may also be required to provide and, in certain cases, you can receive limited legal protection by providing the buyer with booklets titled "The Homeowners Guide to Earthquake Safety," "The Commercial Property Owner's Guide to Earthquake Safety," "Protect Your Family From Lead In Your Home," "Environmental Hazards: A Guide For Homeowners and Buyers." Some of these booklets may be packaged together for convenience. The earthquake guides ask you to answer specific questions about your Property's structure and prepare for an earthquake. If you are required to supply the booklet about lead, you will also be required to disclose to the buyer all known lead-based paint and lead-based paint hazards on a separate form. The environmental hazards guide informs the buyer of common environmental hazards that may be found in properties.

(3) If you know that your property is: (i) located within one mile of a former military ordnance location; or (ii) in an affected zone or district allowing manufacturing, commercial or airport use, you must disclose this to the buyer. You are also required to make a good faith effort to obtain and deliver to the buyer a disclosure notice from the appropriate local agency(ies) about the special tax levied on your Property pursuant to the Mello-Roos Community Facilities Act.

(4) If the TDS, NHD, or lead, military ordnance, commercial zone or Mello-Roos disclosures are provided to a buyer to accept that buyer's offer, the buyer will have 3 days after delivery (or 5 days if mailed) to terminate the offer, which is why it is extremely important to complete these disclosures as soon as possible. There are certain exemptions from these disclosure requirements. However, if you have actual knowledge of any of these items, you may still be required to make a disclosure if the items can be considered material facts.

**C. Death and Other Disclosures:** Many buyers consider death on real property to be a material fact in the purchase of property. In some situations, it is advisable to disclose that a death occurred or the manner of death. However, California Civil Code section 1710.2 provides that you have no disclosure duty where the death has occurred more than three years prior to the transfer, offers to purchase, lease, or rent the real property, or [regardless of the date of occurrence] that an occupant of the property was afflicted with, or died from, Human T-Lymphotropic Virus Type III/Lymphadenopathy-Associated Virus. This provision does not "immunize an owner or his or her agent from making an intentional misrepresentation in response to a direct inquiry from a transferee or a prospective transferee of real property, concerning deaths on the real property."

**D. Condominiums and Other Common Interest Subdivisions:** If the Property is a condominium, townhouse, or other common interest subdivision, you must provide to the buyer copies of the governing documents, the most recent financial statements distributed, and other documents required by law or contract. If you do not have a current version of these documents, you can request them from the management of your homeowners' association. To avoid delays, you are encouraged to obtain these documents as soon as possible, even if you have not yet entered into a purchase agreement to sell your Property.

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SA-11 REVISED 10/01 (PAGE 1 OF 2)

Seller acknowledges receipt of copy of this page

Seller's Initials ( 11/2/07 )

Reviewed by \_\_\_\_\_  
Broker or Designee \_\_\_\_\_ Date \_\_\_\_\_

### SELLER'S ADVISORY (SA-11 PAGE 1 OF 2)

Agent: Scott Flexman	Phone: (415) 571 - 0582	Fax:	Prepared using WINForms®
Broker: Scott Flexman Real Estate 21 Buena Vista Road South San Francisco, CA 94080			

Property Address: 58 Cypress, San Francisco, Ca, 94112

Date: August 3, 2007

**3. CONTRACT TERMS AND LEGAL REQUIREMENTS:**

- A. Contract Terms and Conditions:** A buyer may request, as part of the contract for the sale of your Property, that you make repairs to the Property and other items. Your decision on whether or not to comply with a buyer's requests may affect your ability to sell your Property at a specified price.
- B. Withholding Taxes:** Under federal and California tax laws, a buyer is required to withhold a portion of the purchase price of your sale proceeds for tax purposes unless you sign an affidavit of non-foreign status and California residency or your exemption applies and is documented.
- C. Prohibition Against Discrimination:** Discriminatory conduct in the sale of real property against individuals belonging to protected classes is a violation of the law.
- D. Government Retrofit Standards:** Unless exempt, you must comply with government retrofit standards, including, but not limited to, installing operable smoke detectors, bracing water heaters, and providing the buyer with corresponding written statements of compliance. Some city and county governments may impose additional retrofit standards, including, but not limited to, in low-flow toilets and showerheads, gas shut-off valves, tempered glass, and barriers around swimming pools and spas. You should consult with the appropriate governmental agencies, inspectors, and other professionals to determine the applicable standards for your Property, the extent to which your Property complies with such standards, and the costs, if any, of complying.
- E. Legal, Tax and Other Implications:** Selling your Property may have legal, tax, insurance, title or other implications. You should consult an appropriate professional for advice on these matters.

**4. MARKETING CONSIDERATIONS:**

- A. Pre-Sale Considerations:** You should consider doing what you can to prepare your Property for sale, such as correcting defects or other problems. Many people are not aware of defects in or problems with their own Property. One way to keep yourself aware is to obtain professional home inspections prior to sale, both generally, and for wood destroying pest organisms, such as termites. By doing this, you then have an opportunity to make repairs before your Property is offered for sale, which may enhance its marketability. Keep in mind, however, that any problems revealed by such inspection reports should be disclosed to the buyer (see "Disclosures" in paragraph 2 above). This is true even if the buyer gets his/her own inspection covering the same area. Obtaining inspection reports may also assist you during contract negotiations with the buyer. For example, if a pest control report has both a primary and secondary recommendation for clearance, you may want to specify in your purchase agreement those recommendations, if any, for which you are going to pay.
- B. Post-Sale Protections:** It is often helpful to provide the buyer with, among other things, a home protection/warranty plan for your Property. These plans will generally cover problems, not deemed to be pre-existing, that occur after your sale is completed. If an event something does go wrong after the sale, and it is covered by the plan, the buyer may be able to resolve the issue by contacting the home protection company.
- C. Safety Precautions:** Advertising and marketing your Property for sale, including, but not limited to, holding open houses, a keysafe/lockbox, erecting FOR SALE signs, and disseminating photographs, video-tapes, and virtual tours of the property, may jeopardize your personal safety and that of your Property. You are strongly encouraged to maintain insurance, and any and all possible precautions and safeguards to protect yourself, other occupants, visitors, your Property, and your belongings, including cash, jewelry, drugs, firearms and other valuables located on the Property against injury, theft, vandalism, damage, and other harm.
- D. Expenses:** You are advised that you, not the Broker, are responsible for the fees and costs, if any, to comply with your obligations to the buyer of your Property.

**5. OTHER ITEMS:**

Seller has read and understands this Advisory. By signing below, Seller acknowledges receipt of a copy of this document.

Seller        Date August 3, 2007  
 Print Name       

Seller        Date         
 Print Name       

Real Estate Broker Scott Flexman Real Estate

By         
 (Agent) Scott A. Flexman

Address        City        State        Zip       

Telephone        Fax        E-mail       

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Reviewed by  
 Broker or Designee        Date       

SA-11 REVISED 10/01 (PAGE 2 OF 2)

SELLER'S ADVISORY (SA-11 PAGE 2 OF 2)



CALIFORNIA  
ASSOCIATION  
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## CONFIRMATION REAL ESTATE AGENCY RELATIONSHIPS

(As required by the Civil Code)

Subject Property Address 68 Cayuga, San Francisco Ca 94112

The following agency relationship(s) is/are hereby confirmed for this transaction:

**LISTING AGENT:** Scott Flaxman Real Estate

is the agent of (check one):

- the Seller exclusively; or  
 both the Buyer and Seller

**SELLING AGENT:** \_\_\_\_\_

(if not the same as Listing Agent)

is the agent of (check one):

- the Buyer exclusively; or  
 the Seller exclusively; or  
 both the Buyer and Seller

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS CONFIRMATION.

Seller Ali Baalouch Date 09/05/2007

Buyer Ivan Castan Date 09/05/2007

Seller \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_

Listing Agent Scott Flaxman Real Estate

(Please Print)

By Scott A. Flaxman

Date \_\_\_\_\_

(Associate Licensee or Broker-Signature)

Selling Agent \_\_\_\_\_ By \_\_\_\_\_ Date \_\_\_\_\_

(Please Print)

(Associate Licensee or Broker-Signature)

**A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.**

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OFFICE USE ONLY	
Reviewed by Broker	_____
or Designee	_____
Date _____	



### FORM AC-6 REVISED 1987



CALIFORNIA  
ASSOCIATION  
OF REALTORS®

**BUYER NON-AGENCY AGREEMENT**  
(C.A.R. Form BNA, Revised 4/02)

**1. PARTIES AND PROPERTY:**

- A. Ali Baalouach ("Seller") is the owner of real property described as 68 Cayuga, Assessor's Parcel No. 6752 -021, situated in San Francisco, County of San Francisco, California ("Property").  
 B. Ivan CASTRO ("Buyer") has made, or is contemplating making, an offer to purchase the Property.  
 C. Scott A. Flaxman ("Listing Broker") is a California real estate licensee, other than Broker, who has entered into a written agreement with Seller for the marketing and sale of the Property.  
 D.  (if checked) ("Other Broker") is a real estate licensee, other than Listing Broker, who represents Buyer.

**2. NO REPRESENTATION OF BUYER BY LISTING BROKER:** Buyer understands and agrees to the following:

- A. Listing Broker does NOT represent Buyer and Listing Broker will NOT be Buyer's agent during any negotiation or transaction that results between Buyer and Seller regarding the Property. All acts of Listing Broker, even those that assist Buyer in entering into a transaction or performing or completing any of Buyer's contractual or legal obligations, are for the benefit of Seller exclusively. Any information that Buyer reveals to Listing Broker may be conveyed to Seller.  
 B. Listing Broker does NOT represent Buyer and Listing Broker will NOT be Buyer's agent even though Listing Broker may provide Buyer forms describing agency relationships as required by law or otherwise.

**3. REPRESENTATION OF BUYER BY OTHERS: (check box that applies)**

- Buyer is represented by Other Broker. Any questions that Buyer may have regarding the scope of that representation should be directed to Other Broker.  
 Buyer is not at this time represented by a real estate licensee. Buyer has the right to enter into an agency relationship with a real estate licensee, other than Listing Broker, at any time during any negotiation or transaction regarding the Property.

**4. REPRESENTATION OF SELLER BY LISTING BROKER:** Listing Broker will act as the agent of Seller exclusively during any negotiation or transaction regarding the Property.

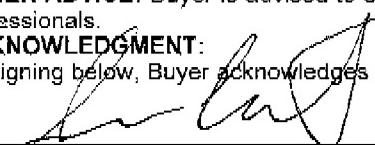
**5. STATUTORY AGENCY COMPLIANCE:** (Applies if the Property includes residential property with one-to-four dwelling units)

- A. DISCLOSURE: A "Disclosure Regarding Real Estate Agency Relationships" form is attached to provide additional information on the duties of a real estate broker to a buyer and seller in a transaction.  
 B. CONFIRMATION: Listing Broker shall confirm the agency relationship described above, or as modified, in writing, prior to or coincident with Seller's execution of a purchase agreement.

**6. OTHER ADVICE:** Buyer is advised to seek real estate, legal, tax, insurance, title and all other desired assistance from appropriate professionals.

**7. ACKNOWLEDGMENT:**

By signing below, Buyer acknowledges that Buyer has read, understands, accepts and has received a copy of this Agreement.

Buyer   
Ivan CASTRO Date September 5, 2007  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Listing Broker (Firm) Scott Flaxman Real Estate  
 By (Agent)   
Scott A. Flaxman Date September 5, 2007  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

BNA REVISED 4/02 (PAGE 1 OF 1)

**BUYER NON-AGENCY AGREEMENT (BNA PAGE 1 OF 1)**







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OF REALTORS®

## SHORT SALE LISTING ADDENDUM

(C.A.R. Form SSL, 8/07)

This is an addendum to the  Residential Listing Agreement,  Other \_\_\_\_\_ ("Agreement"), dated \_\_\_\_\_ on property known as 68 Cayuga, San Francisco Ca 94112 ("Property"), between

Ali Baalouach

and Scott Flaxman Real Estate

Scott A. Flaxman

("Seller")

("Broker")

1. **SHORT SALE LISTING:** Broker has advised Seller that the amount of money necessary to pay in full all loans and other debt or obligations that are secured by a lien(s), including any IRS liens, on the Property (Loans/Liens) as well as Broker commissions and other costs of sale may exceed the current market value of the Property. Accordingly, in order to sell the Property, Seller may be required to: (1) deposit his/her own funds into escrow, (2) obtain the agreement of secured lender(s) or creditor(s) (Lender) to accept, as payment in full, less money than they are owed (Short Sale), and/or (3) pay back some or all of the shortage after the sale is complete. Broker has advised Seller that other options, such as, but not limited to, negotiating a modification of existing Loans/Liens, refinancing, bankruptcy, foreclosure, or deed in lieu of foreclosure may be more appropriate for Seller. Any sale of the Property will be contingent on Lender approval (C.A.R. Form PAA, # 5).
2. **TAX CONSEQUENCES:** Broker has advised Seller that if Lender agrees to accept less than full payment, the difference may result in taxable income to Seller even though Seller does not receive any cash proceeds from the sale. Seller may also be taxed on the gain in value of the Property from the date of Seller's purchase to the date of sale, regardless of the amount of any existing Loans/Liens.
3. **CREDIT CONSEQUENCES:** A Short Sale may have a negative impact on Seller's credit rating even if a foreclosure process has not officially begun or once begun, is not completed.
4. **LENDER CONSIDERATIONS:** Seller acknowledges that a Short Sale is subject to Lender approval. Lender is not obligated to accept a Short Sale. Lender may impose conditions prior to consideration or approval of a Short Sale, such as obtaining a new appraisal, or requiring Seller to demonstrate hardship or provide copies of tax returns, pay stubs, assets, or other financial information. Lender may inform the IRS or credit reporting companies of the payment shortage. Broker has no control over Lender's decisions. Accordingly, Seller agrees to hold Broker harmless for acts or omissions of Lender.
5. **BROKER AUTHORITY:** Seller authorizes Broker to: (1) market the Property for sale, (2) contact Lender concerning Lender's approval of a Short Sale (C.A.R. Form ARC) and Seller agrees to give Broker any necessary information to negotiate with Lender, and (3) advertise in the MLS and other advertising medium that the Property transfer, sales price and payment of commissions are subject to Lender approval. If Lender will not cooperate, Broker may cancel this listing agreement.
6. **TAX AND LEGAL ADVICE:** Broker has advised Seller to consult with legal and tax counsel, prior to signing this listing, regarding the decision to seek a Short Sale. Broker cannot give legal or tax advice.

By signing below, Seller acknowledges that Seller has read, understands and received a copy of this Short Sale Listing Addendum. Seller is encouraged to read it carefully.

Date September 5, 2007

Date \_\_\_\_\_

SELLER Ali Baalouach

SELLER \_\_\_\_\_

(Print name) \_\_\_\_\_

(Print name) \_\_\_\_\_

(Address) \_\_\_\_\_

Real Estate Broker (Listing Firm) Scott Flaxman Real Estate DRE Lic. # \_\_\_\_\_

By Scott A. Flaxman DRE Lic. # \_\_\_\_\_ Date September 5, 2007

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



**SSL 8/07 (PAGE 1 OF 1)**

**SHORT SALE LISTING ADDENDUM (SSL PAGE 1 OF 1)**

MAR. 17, 2008 3:44PM

NO. 6433 P. 1/6

650-952-0409.

 **Countrywide****HOME LOANS**1515 W 14<sup>th</sup> Street  
Mail Stop: TP14-70  
Tempe, AZ 85281**Fax**

To: Scott Yarmaw From: Angela Lyle  
Fax: 650-952-0409 Pages: 6  
Phone: \_\_\_\_\_ Date: \_\_\_\_\_  
Re: Ali Boalwach cc: Short Sale Request  
 Urgent     For Review     Please Comment     Please Reply     Please Recycle

650-994-1112

415-665-8629

415-563-4063



HOME LOANS

Mail Stop: SV3-70  
 450 American Street  
 Simi Valley, CA 93065-6285

**Notice Date:** March 13, 2008**Account No.:** 146653032

Ali Baalouach  
 68 Cayuga Ave  
 San Francisco, CA 94112

**Property Address:**  
 68 Cayuga Avenue  
 San Francisco, CA 94112

---

**IMPORTANT MESSAGE ABOUT YOUR LOAN**


---

This letter will serve as an amendment to our demand letters dated 02/26/08 whereby Countrywide Home Loans and its investors and/or Insurers have agreed to accept a short payoff involving the above referenced property.

---

**WHAT THIS MEANS**


---

The amendments to this demand letter are as follows:

1. Sales price to be 860,000.00.
2. Buyers are IVAN CASTRO .
3. Escrow to close on or before 3/25/08 or approval is void and invalid.
4. Proceeds to Countrywide, including borrower's contribution of \$0 and per diem interest from 03/13/08 to 03/25/08 in the amount of \$0 to be no less than \$10,014.00.

Proceeds must be wired. Any other form of payment will be returned and will result in voiding this transaction.

\*\*\*\*\*  
 \*\* Payoff funds must be wired and received within 24 business hours after closing.\*\*

\*\* Should payoff funds not be received by Countrywide via wire and within 24 business hours after closing, a non-refundable Per Diem charge will be enforced for each day funds are not received.\*\*

\*\*\*\*\*

EXCEPT AS NOTED ABOVE, ALL TERMS OF THE ORIGINAL DEMAND LETTER SHALL REMAIN THE SAME.



HOPE Department SV-3 70  
 450 American Street  
 Simi Valley, CA 93065

February 26, 2008

ALI BAALOUACH  
 68 CAYUGA AVE  
 SAN FRANCISCO CA 94112

Account No.: 131422609

Dear Borrower: ALI BAALOUACH

This letter will serve as Countrywide's demand for payment and advises you that Countrywide Home Loans and its Investors and/or Insurers have agreed to accept a short payoff involving the above-referenced property (the Short Sale transaction). This demand should be used by the closing agent as our formal demand statement. No additional statement will be issued. This approval is exclusive to the offer by the buyer referenced in this letter. The conditions of the approval are as follows:

1. Closing must take place no later than **03/13/08**, or this approval is void.
2. The approved buyer(s) is/are **IVAN CASTRO** and the sales price for the property is **\$860,000.00**. Another buyer cannot be substituted without Countrywide's prior written approval in connection with this short sale.
3. Proceeds to Countrywide to be no less than **\$10,014.00**.
4. Total closing costs, including realtor's commission, not to exceed **\$849,985.86**. This figure includes **\$0.00 for buyer's closing cost**.
5. Termite reports and repair not to exceed **\$00.00**.
6. Realtors commission not to exceed **\$25,800.00**.
7. The property is being sold in "AS IS" condition. No repairs will be paid for out of the proceeds, unless specifically stated otherwise.
8. The Seller(s) is [ALI BAALOUACH]. Seller to contribute \$0.00, to assist in the closing of this transaction. This contribution will be in the form of:

PROMISSORY NOTE	\$	0.00
CASH	\$	0.00

If a promissory note is required, it must be signed and returned to Countrywide prior to the close of escrow. It is the responsibility of the closing agent to ensure that the promissory note is signed and returned to Countrywide.

If a promissory note has already been signed and agreed to between the seller, Investor and the Mortgage Insurance Company, a signed, certified copy must be provided to Countrywide prior to the close of the short sale transaction. It is the responsibility of the closing agent to ensure that Countrywide receives the copy.

**\*\*\* Sales proceeds will be returned if the note has not been received. This will result in a delay of the transaction and/or possible cancellation of this short sale transaction. \*\*\***

9. The sellers will not receive any proceeds from this short sale transaction. If there are any remaining escrow funds or refunds they will not be returned to the seller, they will be sent to Countrywide to offset the loss.
10. The property must be free and clear of liens and encumbrances other than the first mortgage and CC&Rs.
11. Countrywide does not charge statement, demand, recording and reconveyance fees on short payoff transactions. Do not include them in your settlement statement. Countrywide prepares and records their own reconveyances.
12. **Countrywide or its investors will not pursue a deficiency judgment if the shortsale closes on the referenced loan. However, if a new Note is taken out for the remaining balance owed on the loan, we reserve the right to collect on this new Note pursuant to its terms. If the shortsale does not close, then the referenced loan secured by the Note and Security Instrument shall remain in full force and effect and we will pursue all remedies under the Note and Security Instrument.**
13. Other: All funds must be wired. Any other form of payment of funds will be returned.
14. Other: Should the closing be delayed, and the Investor/Insurer agree to an extension of the original closing date, the Seller(s) will be responsible for non-refundable per diem through the new date(s) of closing, extension fees and foreclosure sale postponement fees. The Seller(s) will be responsible for any additional costs or fees over the aforementioned approved amounts.
15. Realtors commission, paid from proceeds, not to exceed \$25,800.00 (3%).
16. If the property was acquired by any means of fraud, [CHL] reserves the right to pursue any and all actions available to it to offset its losses. If it is determined that Seller(s) and/or Buyer(s) participated in any way to the fraud, this short sale will be void, and the Note and Security Instrument will remain in full force and effect.
17. If the Seller(s) is entitled to receive any proceeds based on a claim for damage to the subject property under any policy of insurance, including homeowner's, lender-placed, casualty, fire, flood, etc., or if Seller(s) is entitled to receive other miscellaneous proceeds, as that term is defined in the Security Instrument (which could include CDBG grant funds), such proceeds must be disclosed before we will consider the request for short sale. If we receive a check for insurance or miscellaneous proceeds that were not previously disclosed, Countrywide will have the right to keep those proceeds and apply them to Countrywide's loss after the short sale. We similarly will have the right to claim those proceeds to offset our losses if they were not previously disclosed and they were sent directly to the Seller(s).

\*\*\*\*\* **IMPORTANT INSTRUCTIONS** \*\*\*\*\*

The closing agent must fax a copy of the final estimated Settlement Statement prior to Closing along with this signed approval letter. You cannot close without final approval of the closing costs. Failure to return these items may result in sale being voided.

**WIRING INSTRUCTIONS**

**Payoff funds must be wired.**

**Payoff funds must be received within 48 business hours of the HUD1 settlement date.**

Bank of America  
100 West 33<sup>rd</sup> St  
New York, NY 10001  
**Credit MRC Account #12351-19260**  
**ABA #0260 0959 3**

Reference: ALI BAALOUACH

Short Payoff / Account No.: **131422609**

**\*\* A CERTIFIED COPY OF THE FINAL SETTLEMENT STATEMENT AND A SIGNED COPY  
OF THE UNEARNED PREMIUM REFUND MUST BE FAXED TO MY ATTENTION, AT  
(480) 457-3453, AT THE TIME OF CLOSING. MAIL ORIGINALS TO:**

Countrywide Home Loans  
Attention: ANGELA LYLE  
450 American St., Mail Stop SV3-65  
Simi Valley, CA 93065

Upon receipt of the above stated items, Countrywide will issue a release of lien on its mortgage loan.

Countrywide appreciates all your efforts and cooperation in this matter. If you have any further questions, please contact me at (800) 669-6087.

Respectfully,

*ANGELA LYLE*

ANGELA LYLE  
Workout Department

X

\_\_\_\_\_  
ALI BAALOUACH

X

\_\_\_\_\_  
Date



**HOME LOANS**  
*HOPE Department, SV3-65  
 450 American Street  
 Simi Valley, CA 93065*

February 26, 2008

FARMERS FIRE INSURANCE COMPANY

Policy Number: 928612697  
 ALI BAALOUACH  
 Account No.: 131422609

68 CAYUGA AVE  
 SAN FRANCISCO CA 94112

**ASSIGNMENT OF UNEARNED PREMIUM REFUND**

To Whom it May Concern:

We have sold the above referenced property. The sale closed on \_\_\_\_\_.

I/We the insured hereby request cancellation of the referenced policy effective on the closing date. Please refund the unearned portion of the premium directly to:

Countrywide Home Loans  
 450 American St., Mail Stop SV3-65  
 Simi Valley, CA 93065  
 ATTENTION: WORKOUT DEPARTMENT  
 REFERENCE Account No. 131422609

I/We the insured hereby relinquish any claim to these funds.

Thank you for your courtesy and cooperation in this matter.

Respectfully,

X

\_\_\_\_\_  
 ALI BAALOUACH

\_\_\_\_\_  
 Date

MAR. 17, 2008 3:44PM

NO. 6433 P. 2/6



**HOME LOANS**  
**Mail Stop: SV3-70**  
**480 American Street**  
**Simi Valley, CA 93065-6285**

**Notice Date:** March 13, 2008**Account No.:** 146653032

**Ali Baalouach**  
**68 Cayuga Ave**  
**San Francisco, CA 94112**

**Property Address:**  
**68 Cayuga Avenue**  
**San Francisco, CA 94112**

**IMPORTANT MESSAGE ABOUT YOUR LOAN**

This letter will serve as an amendment to our demand letters dated 02/26/08 whereby Countrywide Home Loans and its investors and/or insurers have agreed to accept a short payoff involving the above referenced property.

**WHAT THIS MEANS**

The amendments to this demand letter are as follows:

1. Sales price to be \$60,000.00.
2. Buyers are IVAN CASTRO.
3. Escrow to close on or before 3/25/08 or approval is void and invalid.
4. Proceeds to Countrywide, including borrower's contribution of \$0 and per diem interest from 03/13/08 to 03/25/08 in the amount of \$0 to be no less than \$10,014.00.

Proceeds must be wired. Any other form of payment will be returned and will result in voiding this transaction.

\*\*\*\*\*  
**\*\* Payoff funds must be wired and received within 24 business hours after closing.\*\***

**\*\* Should payoff funds not be received by Countrywide via wire and within 24 business hours after closing, a non-refundable Per Diem charge will be enforced for each day funds are not received.\*\***

\*\*\*\*\*  
**EXCEPT AS NOTED ABOVE, ALL TERMS OF THE ORIGINAL DEMAND LETTER SHALL REMAIN THE SAME.**

MAR. 17, 2008 3:44PM

NO. 6433 P. 3/6



*HOPE Department SV-3 70  
460 American Street  
Simi Valley, CA 93065*

February 28, 2008

ALI BAALOUACH  
68 CAYUGA AVE  
SAN FRANCISCO CA 94112

Account No.: 131422609

Dear Borrower: ALI BAALOUACH

This letter will serve as Countrywide's demand for payment and advises you that Countrywide Home Loans and its Investors and/or Insurers have agreed to accept a short payoff involving the above-referenced property (the Short Sale transaction). This demand should be used by the closing agent as our formal demand statement. No additional statement will be issued. This approval is exclusive to the offer by the buyer referenced in this letter. The conditions of the approval are as follows:

1. Closing must take place no later than 03/13/08, or this approval is void.
2. The approved buyer(s) is/are IVAN CASTRO and the sales price for the property is \$860,000.00. Another buyer cannot be substituted without Countrywide's prior written approval in connection with this short sale.
3. Proceeds to Countrywide to be no less than \$10,014.00.
4. Total closing costs, including realtor's commission, not to exceed \$849,985.86. This figure includes \$0.00 for buyer's closing cost.
5. Termite reports and repair not to exceed \$00.00.
6. Realtor's commission not to exceed \$25,800.00.
7. The property is being sold in "AS IS" condition. No repairs will be paid for out of the proceeds, unless specifically stated otherwise.
8. The Seller(s) is [ALI BAALOUACH]. Seller to contribute \$0.00, to assist in the closing of this transaction. This contribution will be in the form of:

PROMISSORY NOTE	\$	0.00
CASH	\$	0.00

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***\*\*\* Sales proceeds will be returned if the note has not been received. This will result in a delay of the transaction and/or possible cancellation of this short sale transaction. \*\*\****

MAR. 17. 2008 3:44PM

NO. 6433 P. 4/6

**HOME LOANS**

HOPE Department, SV3-65  
450 American Street  
Simi Valley, CA 93065

February 26, 2008

FARMERS FIRE INSURANCE COMPANY

Policy Number: 828612697  
ALI BAALOUACH  
Account No.: 131422609

68 CAYUGA AVE  
SAN FRANCISCO CA 94112

**ASSIGNMENT OF UNEARNED PREMIUM REFUND**

To Whom it May Concern:

We have sold the above referenced property. The sale closed on \_\_\_\_\_.

I/We the insured hereby request cancellation of the referenced policy effective on the closing date. Please refund the unearned portion of the premium directly to:

Countrywide Home Loans  
450 American St., Mail Stop SV3-65  
Simi Valley, CA 93065  
ATTENTION: WORKOUT DEPARTMENT  
REFERENCE Account No. 131422609

I/We the insured hereby relinquish any claim to these funds.

Thank you for your courtesy and cooperation in this matter.

Respectfully,

X

\_\_\_\_\_  
ALI BAALOUACH

\_\_\_\_\_  
Date

**WIRING INSTRUCTIONS**

**Payoff funds must be wired.**

**Payoff funds must be received within 48 business hours of the HUD1 settlement date.**

**Bank of America  
100 West 33<sup>rd</sup> St  
New York, NY 10001  
Credit MRC Account #12351-19260  
ABA #0260 0959 3**

**Reference: ALI BAALOUACH**

**Short Payoff / Account No.: 131422609**

**\*\* A CERTIFIED COPY OF THE FINAL SETTLEMENT STATEMENT AND A SIGNED COPY  
OF THE UNEARNED PREMIUM REFUND MUST BE FAXED TO MY ATTENTION, AT  
(480) 457-3453, AT THE TIME OF CLOSING. MAIL ORIGINALS TO:**

**Countrywide Home Loans  
Attention: ANGELA LYLE  
450 American St., Mail Stop SV3-65  
Simi Valley, CA 93065**

**Upon receipt of the above stated items, Countrywide will issue a release of lien on its mortgage  
loan.**

**Countrywide appreciates all your efforts and cooperation in this matter. If you have any further  
questions, please contact me at (800) 669-6087.**

**Respectfully,**

***ANGELA LYLE***

**ANGELA LYLE  
Workout Department**

**X**

**ALI BAALOUACH**

**X**

**Date**

- 9. The sellers will not receive any proceeds from this short sale transaction. If there are any remaining escrow funds or refunds they will not be returned to the seller, they will be sent to Countrywide to offset the loss.
- 10. The property must be free and clear of liens and encumbrances other than the first mortgage and CC&Rs.
- 11. Countrywide does not charge statement, demand, recording and reconveyance fees on short payoff transactions. Do not include them in your settlement statement. Countrywide prepares and records their own reconveyances.
- 12. Countrywide or its investors will not pursue a deficiency judgment if the shortsale closes on the referenced loan. However, if a new Note is taken out for the remaining balance owed on the loan, we reserve the right to collect on this new Note pursuant to its terms. If the shortsale does not close, then the referenced loan secured by the Note and Security Instrument shall remain in full force and effect and we will pursue all remedies under the Note and Security Instrument.
- 13. Other: All funds must be wired. Any other form of payment of funds will be returned.
- 14. Other: Should the closing be delayed, and the Investor/Insurer agree to an extension of the original closing date, the Seller(s) will be responsible for non-refundable per diem through the new date(s) of closing, extension fees and foreclosure sale postponement fees. The Seller(s) will be responsible for any additional costs or fees over the aforementioned approved amounts.
- 15. Realtors commission, paid from proceeds, not to exceed \$25,800.00 (3%).
- 16. If the property was acquired by any means of fraud, [CHL] reserves the right to pursue any and all actions available to it to offset its losses. If it is determined that Seller(s) and/or Buyer(s) participated in any way to the fraud, this short sale will be void, and the Note and Security Instrument will remain in full force and effect.
- 17. If the Seller(s) is entitled to receive any proceeds based on a claim for damage to the subject property under any policy of insurance, including homeowner's, lender-placed, casualty, fire, flood, etc., or if Seller(s) is entitled to receive other miscellaneous proceeds, as that term is defined in the Security Instrument (which could include CDBG grant funds), such proceeds must be disclosed before we will consider the request for short sale. If we receive a check for insurance or miscellaneous proceeds that were not previously disclosed, Countrywide will have the right to keep those proceeds and apply them to Countrywide's loss after the short sale. We similarly will have the right to claim those proceeds to offset our losses if they were not previously disclosed and they were sent directly to the Seller(s).

\*\*\*\*\* IMPORTANT INSTRUCTIONS \*\*\*\*\*

The closing agent must fax a copy of the final estimated Settlement Statement prior to Closing along with this signed approval letter. You cannot close without final approval of the closing costs. Failure to return these items may result in sale being voided.

# EXHIBIT I

RECORDING REQUESTED BY:  
RECONTRUST COMPANY  
1757 TAPO CANYON ROAD, SVW-88  
SIMI VALLEY, CA 93063

WHEN RECORDED MAIL TO:  
1757 TAPO CANYON ROAD, SVW-88  
SIMI VALLEY, CA 93063

Attn:  
TS No. 07-51714  
Doc ID #0001466530322005N  
Title Order No. 3497785

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APN No.:LOT ; 021 BLK ;6752

### NOTICE OF TRUSTEE'S SALE

**YOU ARE IN DEFAULT UNDER A DEED OF TRUST, DATED 10/24/2006.  
UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE  
SOLD AT A PUBLIC SALE. IF YOU NEED AN EXPLANATION OF THE  
NATURE OF THE PROCEEDING AGAINST YOU, YOU SHOULD CONTACT A  
LAWYER.**

Notice is hereby given that RECONTRUST COMPANY, as duly appointed trustee pursuant to the Deed of Trust executed by ALI BAALOUACHI, AN UNMARRIED MAN, dated 10/24/2006 and recorded 11/02/2006, as Instrument No. 2006-J278024-00, in Book J259, Page 0160, ), of Official Records in the office of the County Recorder of SAN FRANCISCO County, State of California, will sell on 02/19/2008 at 02:00 PM, At the Van Ness Avenue entrance to the City Hall, 400 Van Ness Avenue, San Francisco, CA

at public auction, to the highest bidder for cash or check as described below, payable in full at time of sale, all right, title, and interest conveyed to and now held by it under said Deed of Trust, in the property situated in said County and State and as more fully described in the above referenced Deed of Trust. The street address and other common designation, if any, of the real property described above is purported to be: 68 CAYUGA AVENUE, SAN FRANCISCO, CA 94112. The undersigned Trustee disclaims any liability for any incorrectness of the street address and other common designation, if any, shown herein.

The total amount of the unpaid balance with interest thereon of the obligation secured by the property to be sold plus reasonable estimated costs, expenses and advances at the time of the initial publication of the Notice of Sale is \$793,529.56. It is possible that at the time of sale the opening bid may be less than the total indebtedness due.

In addition to cash, the Trustee will accept cashier's checks drawn on a state or national bank, a check drawn by a state or federal credit union, or a check drawn by a state or federal savings and loan association, savings association, or savings bank specified in Section 5102 of the Financial Code and authorized to do business in this state.

Said sale will be made, in an "AS IS" condition, but without covenant or warranty, express or implied, regarding title, possession or encumbrances, to satisfy the indebtedness secured by said Deed of Trust, advances thereunder, with interest as provided, and the unpaid principal of the Note secured by said Deed of Trust with interest thereon as provided in said Note, plus fees, charges and expenses of the Trustee and of the trusts created by said Deed of Trust.

DATED: January 15, 2008  
RECONTRUST COMPANY  
1757 TAPO CANYON ROAD, SVW-88  
SIMI VALLEY, CA 93063  
Phone: (800) 281-8219 , Sale Information (626) 927-4399

By: /S/ Title Officer

RECONTRUST COMPANY is a debt collector attempting to collect a debt. Any information obtained will be used for that purpose.